

SENATE, No. 450

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 8, 1968

By Senators FARLEY, DICKINSON, McDERMOTT, HAGEDORN, KNOWLTON, SCHIAFFO, WOODCOCK, ITALIANO, RINALDO, LACORTE, WALLWORK, CRABIEL, GUARINI, STOUT and BEADLESTON

Referred to Committee on Banking and Insurance

AN ACT to stimulate and encourage improvements in the dental health of the public and providing means for the development and operation of plans to achieve the same.

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

1 1. The Legislature finds and declares that good dental health is
2 directly related to effective nourishment and good general health
3 of the public; that the onset and development of dental defects
4 can be slow and insidious, and that in the absence of regular pro-
5 fessional examination and care, such defects tend to involve seri-
6 ous deterioration before detection; and that it is in the interest of
7 the public for its general health and welfare that additional means
8 be provided as set forth in this act to stimulate and encourage
9 such examination and care, as well as to educate the public on
10 their importance and to develop sound personal habits for daily
11 dental care.

1 2. The policy and purpose of this act are to be achieved by pro-
2 viding for the establishment and operation of organizations de-
3 signed to develop, prepare, offer, execute and operate one or more
4 specific or general plans or combinations of plans, including plans
5 of an experimental or developmental nature, intended to provide
6 care for dental health needs.

1 3. Organizations established and operated for the purposes of
2 this act shall, in connection with any plan, perform their functions
3 primarily by serving as administrative and fiscal intermediary
4 between subscribers, dentists and other participants in a plan, and
5 incidentally in any other feasible or effective way.

1 4. Any organization desiring to apply for authority to operate
2 under this act shall be a nonprofit corporation, organized under
3 Title 15 of the Revised Statutes, without capital stock and not for
4 profit, for one or more charitable or educational purposes among
5 which shall be that of improving the physical well-being of an
6 indefinite number of persons by the development and operation of
7 a voluntary plan or plans under this act, and no part of the assets
8 or net earnings of which shall inure to the benefit of any private
9 shareholder or individual, and whose certificate of incorporation
10 or by-laws shall contain an irrevocable provision that, in the event
11 of any dissolution of the corporation the net assets remaining shall
12 be applied to one or more charitable or educational purposes, as
13 near as may be to those for which the corporation was formed, to
14 be selected by a majority of the trustees of the corporation; and
15 in case of their failure or inability to so select, or in case of any
16 disagreement in respect to the validity of such selection, the same
17 shall be made by the Superior Court by application of the doctrine
18 of cy pres and other applicable equitable doctrines, in a summary
19 proceeding initiated by a trustee or trustees, or by any other
20 person having a substantial interest in the provisions of this sec-
21 tion, or by the Attorney General.

1 5. The activities and operations of an organization authorized
2 under this act shall be conducted by a board of trustees composed
3 initially of an even number of persons, not less than 14 in all, as
4 may be specified in the certificate of incorporation, of which $\frac{1}{2}$
5 shall be persons licensed to practice dentistry in this State and
6 who are holders of active registration certificates in good standing.
7 The initial members of the board shall elect one additional person
8 to serve as chairman of the board, to preside at all meetings of the
9 board, and who shall be a member of the board and participate in
10 its work and functions except that he shall cast no vote on any
11 matter coming before the board except in case of a tie in the votes
12 cast by the other members of the board.

1 6. Any and all applications and other papers in connection with
2 authorization of an organization to operate under this act shall be
2A filed with the commissioner who shall make all determinations
3 necessary or proper thereto and who shall issue any authorizations.

1 7. In reviewing any application for authority to operate under
2 this act, the commissioner shall be guided by the following stand-
3 ards:

4 a. It shall be shown that the initial working funds are adequate;
5 and in reviewing this aspect, a showing that provision has been
6 made for initial working funds in an amount sufficient to cover

7 the cost of administration and subscription expense for the first 6
8 months of operation shall be sufficient to support a finding of
9 adequacy;

10 b. It shall be shown that the organization has enlisted a sufficient
11 number of participating dentists, with skills in appropriate fields
12 and accessible to subscribers, to indicate ability to render the
13 intended dental health service; and at least 100 participating den-
14 tists shall be required to have been enlisted in order to support
15 the commissioner's finding in this regard.

16 c. It shall be shown that the organization will accept as a par-
17 ticipating dentist any dentist holding a valid and active license,
18 in good standing, to practice dentistry in the jurisdiction where
19 his services are to be rendered, and who is ready, available and
20 willing to render dental health services to be provided under a
21 plan or plans to covered subscribers; but this requirement shall
22 not apply to experimental or developmental plans.

1 8. In addition to the authority to operate under this act as re-
2 quired by section 6, each plan, other than an experimental or
3 developmental plan, shall be submitted to and approved by the
4 commissioner before being placed in operation; but information
5 in respect to any experimental or developmental plan shall be in-
6 cluded in any annual report or as may otherwise be required by
7 the commissioner by rule or regulation. Application for approval
8 of a plan or plans may be, but need not be, submitted at the same
9 time as an application for authority. Pending an application for
10 and approval of a plan or plans, the organization may undertake
11 any and all steps, and enter into agreements and contracts in
12 connection with the same, subject to the receiving of the approval
13 required by this section. Nothing in this act shall preclude any
14 particular kind of plan, whether of a service or indemnity type,
15 with or without provisions for deductible or participation features,
16 or other types and variations, it being intended that there be
17 full flexibility and wide variety in designing and offering a plan
18 or plans to the end that the same may be accommodated to needs,
19 feasibility, effectiveness, changes of circumstances and any other
20 element or factor to be recognized in order that the purpose and
21 objective of this act may be achieved.

1 9. The authority to operate under this act and the approval of
2 any plan or plans shall extend to any part or all of this State, and
3 shall also include authority and approval to make contracts, agree-
4 ments or other arrangements with other organizations offering
5 plans for dental health whether in or out of this State, or with
6 insurance companies, or with any other organization offering to

7 undertake to perform any one or more parts or aspects of opera-
8 tion of a plan. This shall include authorization to undertake activi-
9 ties to carry out any part of a governmentally-sponsored plan or
10 program, whether Federal, State or local.

1 10. Every organization authorized or seeking authorization to
2 operate under this act shall submit to the commissioner as part of
3 its application for approval of a plan or plans under section 8 a
4 copy of the form and provisions of the contract between it and
5 its subscribers or representative of its subscribers which constitute
6 the terms and provisions thereof. The contracts may be either
7 individual or group contracts, but in either case shall define the
8 nature and extent of the benefits to be provided thereunder in clear
9 language and in legible type. Such forms and provisions shall in-
10 clude any and all terms reasonably appropriate for a fair descrip-
11 tion of the plan and suitable to its proper operation and
12 administration. Applications may also be filed for prospective
13 changes in the terms of a plan or plans, or for changes in the form
14 of contract and other like matters, by way of amendment of plan.
15 In reviewing any application for approval of a plan or for amend-
16 ment of a plan, the commissioner shall be guided by the norms and
17 standards set forth in this act as calculated to achieve its objects
18 and purposes.

1 11. The amount of the consideration or rate to be paid in con-
2 nection with any plan or plans other than an experimental or
3 developmental plan shall be a matter for approval by the com-
4 missioner as a part of his approval of a plan or an amendment
5 of a plan. The initial consideration or rate shall be determined
6 as part of the approval of a plan. Changes in consideration or
7 rate shall be determined on an application for amendment. In
8 all cases, the consideration or rate shall be actuarially sound, and
9 in addition the commissioner shall find from the facts presented,
10 that the consideration is reasonable, equitable and adequate. In
11 weighing these factors, the commissioner shall give controlling
12 consideration to adequacy.

1 12. In making determinations in respect to consideration or rates
2 for a plan or plans, the commissioner shall give proper considera-
3 tion to the following components:

4 a. Anticipated frequency and level of dental health services
5 reasonably to be expected during the term of the contract, giving
6 due effect to epidemiological data and other experience in cases
7 where the plan has been in operation long enough to give meaning
8 to such data;

9 b. Estimated accumulation of dental impairments at the outset
10 of a plan or plans;

11 c. Stabilization factors;

12 d. Amortization of start-up costs, where applicable;

13 e. Composition of subscribers or groups of subscribers, turnover
14 of beneficiaries, and related elements tending to determine the level
15 and kind of benefits to be anticipated;

16 f. Trends or directions tending to assist in making fair estimates
17 of expected experience.

1 13. In reviewing any consideration or rate, the determination
2 shall include as a component a reserve factor equal to 1 month's
3 requirements. For an initial application, this component shall be
4 estimated. For subsequent determinations of consideration or
5 rate, this component shall be based on the average monthly claims
6 accrued in respect to the plan or plans involved during the 6
7 months period preceding the first day of the month in which the
8 application is filed. In the event that the application for approval
9 of the consideration or rate is not finally acted upon within 3
10 months after date of filing, the applicant shall submit amended
11 schedules of data such that the same will reflect experience or
12 estimates as of not more than 2 months prior to the date of final
13 determination.

1 14. a. Contracts with participating dentists shall contain pro-
2 visions for rendering services to patients in accordance with the
3 terms of proposed plans. This shall not in any way interfere with
4 full freedom of choice on the part of both the patient and the den-
5 tist. Forms of such contracts shall be submitted to and approved
6 by the commissioner as part of an application for authority to
7 operate under this act, or for approval of a plan or amendmeent
8 of a plan.

9 b. The fees, or schedules of fees, or ranges of fees for particular
10 services shall be determined by the organization on the basis of
11 the customary, prevailing, usual and reasonable fees, taking into
12 account the variations in particular areas and attributable to the
13 special knowledge, experience or skill appropriate to the service
14 involved.

15 c. Determinations based on current statistical data using at least
16 90 percentile figure as a base shall be deemed proper.

1 15. An authorized organization shall establish feasible means
2 and methods for quality control of the services rendered by par-
3 ticipating dentists. If no other method is specified as part of a
4 plan or otherwise, the plan shall arrange for the establishment of
5 a suitable number of committees composed of licensed dentists

6 covering such areas and subject fields as may be appropriate to
7 cover the area of operation and types and levels of care to be
8 provided. Members of such committees shall be named by the par-
9 ticipating dentists for the area or field involved, and are to inquire
10 into and make findings in respect to quality of care, controversies
11 between subscriber and dentist, or between dentist and plan. The
12 organization shall establish procedures, subject to the approval
13 of the commissioner, for the establishment and functioning of such
14 committees.

1 16. Neither subscription to a plan nor participation therein by
2 any dentist shall affect the professional relationship and/or the
3 freedom of choice on both sides. The offering and operation of
4 plans under this act shall not constitute the practice of dentistry.
5 Participation by any dentist in an approved plan shall not consti-
6 tute a violation of any law regulating the practice of dentistry.

1 17. In order to achieve the objects and purposes of this act, the
2 commissioner is authorized and empowered to adopt rules and
3 regulations in respect to forms, applications, reports, audits, ex-
4 aminations, procedures and any other administrative steps reason-
5 ably calculated to be of assistance to the commissioner and of the
6 organizations, subscribers, participating dentists and others who
7 may be affected or interested, to the end that the objects and
8 purposes may be aided and encouraged in the most effective and
9 simple fashion possible. In processing any application, the com-
10 missioner shall make a reasonable determination of the actual
11 direct cost to the State, and shall certify the same along with the
12 determination involved, and that amount shall be paid into the
13 Treasury of the State of New Jersey within 15 days after receipt
14 of such certification. In considering any application and to assist
15 in making any determination or finding thereon, the commissioner
16 shall be authorized to have the assistance of any other department,
17 division or bureau of State government having data or information
18 relevant to the matter, and the request, together with the report
19 or recommendation thereon, shall be made part of the commission-
20 er's record on the matter. The authority to deal with matters of
21 procedure shall also include authority to deal with matters of evi-
22 dence and the methods for presentation thereof, to the extent per-
23 mitted by The Evidence Act, 1960.

1 18. As used in this act, the following terms shall be given the
2 following meanings unless the context clearly indicates a different
3 meaning:

4 "Adequate," in respect to the consideration or rate for a plan
5 or plans means that the revenues will reasonably assure the ability

6 of the operation to provide the funds to meet claims and expenses,
7 with due allowance where such factors are part of a plan, for
8 reserves to meet fluctuations or to reduce the need for rate changes
9 or adjustments, experience rating, and other appropriate com-
10 ponents.

11 "Commissioner" means the head of the Department of Banking
12 and Insurance.

13 "Co-insurance feature" means a provision, as part of any plan,
14 that the plan will pay a certain share of the cost of services cov-
15 ered by the arrangement.

16 "Collateral service arrangement" means an agreement between
17 an organization issuing contracts for a plan, and some other entity,
18 for the performance by the latter of one or more of the items in-
19 cluded in a plan.

20 "Deductible feature" means a provision, as part of any plan,
21 under which benefits are not provided unless the cost of a stated
22 service or during a stated period exceeds a specified amount.

23 "Equitable," in respect to the consideration or rate for a plan
24 or plans means a fair and proper division of revenues, costs and
25 expenses as between different classes of subscribers.

26 "Experimental plan" means a plan of any type, the major pur-
27 pose of which is to gather data and experience for the design and
28 development of an operating plan.

29 "Group plan" means a plan under which a master contract is
30 entered into between the organization and any appropriate entity,
31 such as an employer, an association of persons, or the like, to pro-
32 vide benefits to members of the group.

33 "Indemnity plan" means a plan to provide payment of some
34 part or all of the cost of dental services, whether rendered by a
35 participating dentist or not, and which is paid either to the dentist
36 or by reimbursement to the patient. It may be part of a service
37 plan as when the patient selects a nonparticipating dentist.

38 "Individual plan" means a plan under which a contract is en-
39 tered into directly between the organization and an individual, for
40 providing benefits to the subscriber according to the contract.

41 "Participating dentist" means a person licensed to practice den-
42 tistry who enters into a contract with the organization offering
43 a plan or plans, to render services in accordance with his contract
44 to such of his patients as are subscribers.

45 "Plan" or "program" means an arrangement entered into vol-
46 untarily by an organization to provide one or another kind or type
47 of benefit for voluntary subscribers in accordance with the terms
48 of the arrangement.

49 "Reasonable," in respect to the consideration or rate for a plan
50 or plans means the balancing of revenues with costs and expenses,
51 giving due allowance for the risk of fluctuations and for provisions
52 for reserves, where applicable.

53 "Reimbursement plan" means an indemnity plan.

54 "Service plan" means a plan to provide specified dental serv-
55 ices to a subscriber and pays some part or all of the cost of the
56 services rendered by a participating dentist.

57 "Subscriber" is an individual who is entitled to the benefits of
58 a group plan or individual plan on a contractual basis. It is synon-
59 ymous with "beneficiary."

1 19. An organization undertaking a plan or plans or programs
2 in accordance with this act shall not be obliged to comply with
3 the terms and provisions of any other regulatory law.

1 20. No person, association or corporation shall engage in any
2 activity provided for in this act unless organized and authorized
3 in accordance with its provisions; but this shall not preclude ac-
4 tivities authorized under other enabling acts, nor shall it apply to
5 any arrangement or activity which is subject to regulation under
6 other applicable law of this State or of the United States.

1 21. Nothing herein shall be deemed to repeal or supersede any
2 other law by implication except as expressly provided herein.

1 22. No person licensed to practice dentistry under other law of
2 this State, who engages in any activity or enters into any contract
3 or arrangement permitted by this act, shall be deemed to be in
4 violation of any law, rule or regulation governing the practice of
5 dentistry.

1 23. Any organization authorized to operate a plan or plans or
2 program under this act shall be entitled to all of the exemptions
3 provided by law for any other kinds of organization established
4 and operated for one or more purposes related to the care of the
5 public in health fields, or for plans or programs intended to serve
6 the public in any health field.

1 24. This act shall be liberally construed to the end that its
2 objectives may be achieved with maximum flexibility and variety.

1 25. No defect in any part of this act which may be unenforceable
2 by reason of conflict with paramount law shall affect any other
3 part, and any such defective part shall be deemed to be severable.

1 26. This act shall be known and may be referred to by its short
2 title as the "Dental Health Plan Law, 1968."

1 27. This act shall take effect immediately but shall remain in-
2 operative until 120 days after the effective date of rules and regu-
3 lations promulgated by the commissioner.

STATEMENT

This bill is intended to provide flexible and effective means for the development and operation of plans to provide dental health services.

Among the areas of public health, the problems of dental health have proven to be among the most difficult. Prior efforts to achieve results have been handicapped by the difficulties of designing a specific, detailed legislative arrangement that would be suitable and effective for all classes of cases.

This act takes a different approach by expressing the basic legislative purpose and object, along with designated norms or standards, and providing for a case-by-case determination of plans, rates and other arrangements by the Commissioner of Banking and Insurance in accordance with rules and regulations.

This approach should make it possible to start such plans on moderate scales and building upon the experience achieved.

CHAPTER 305 LAWS OF N. J. 1968
APPROVED 9/26/68
SENATE COMMITTEE SUBSTITUTE FOR
SENATE, No. 450

STATE OF NEW JERSEY

ADOPTED JUNE 3, 1968

AN ACT to stimulate and encourage improvements in the dental health of the public and providing means for the development and operation of plans to achieve the same.

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

1 1. The objects and purposes of a dental service corporation
2 authorized pursuant to this act shall be to establish, maintain and
3 operate a nonprofit dental service plan or plans in the public in-
4 terest whereby dental care may be provided to individuals either
5 singly or in groups who become subscribers thereto; and in further-
6 ance thereof to enter into contracts with duly licensed dentists
7 whereby such dentists agree to provide such dental care to its sub-
8 scribers; and to do everything necessary, incidental or appropriate
9 for the performance and fulfillment of the aforesaid objects and
10 purposes or which may lawfully be done by a nonprofit corporation
11 organized under the laws of the State of New Jersey.

1 2. As used in this act the following words and phrases shall have
2 the stated meanings unless a different meaning clearly appears
3 from the context:

4 (a) the term "dental service corporation" or "the corporation"
5 shall mean a corporation which is (1) organized, without capital
6 stock, and not for profit, for the purpose of establishing, maintain-
7 ing and operating a nonprofit dental service plan, whereby the
8 expense of dental services to subscribers and other covered depend-
9 ents is paid in whole or in part by the corporation to participating
10 dentists and to others as provided herein in return for premiums or
11 other valuable considerations, and which (2) holds a certificate of
12 authority issued under this act;

13 (b) the term "subscriber" shall mean a person to whom a sub-
14 scription certificate is issued by the corporation and which sets
15 forth the kinds and extent of the dental services for which the
16 corporation is liable to make and which constitutes the contract
17 between the subscriber and the corporation;

18 (c) the term "covered dependent" shall mean the spouse, an
19 adult dependent or a child of the subscriber who is named in the
20 subscription certificate issued to the subscriber and with respect to
21 whom appropriate premium is specified in the certificate;

22 (d) the term "participating dentist" shall mean any dentist
23 authorized to practice dentistry under the laws of this State and
24 who agrees in writing with the corporation to provide the dental
25 services specified in the subscription certificates issued by the
26 corporation and at such rates of compensation as shall be deter-
27 mined by its board of trustees and who agrees to abide by the by-
28 laws, rules and regulations of the corporation applicable to partici-
29 pating dentists;

30 (e) the term "dental service" shall mean any and all general
31 and special dental services ordinarily provided by such licensed
32 dentists in accordance with accepted practices in the community
33 at the time the service is rendered;

34 (f) the term "commissioner" shall mean the Commissioner of
35 Banking and Insurance.

1 3. No dental service corporation shall be converted into a cor-
2 poration organized for pecuniary profit. Every such corporation
3 shall be operated for the benefit of the subscribers. No dental
4 service corporation shall impose any restrictions as to methods of
5 diagnosis or treatment on dentists who administer to its sub-
6 scribers. The certificate of incorporation or by-laws shall contain
7 an irrevocable provision that in the event of any dissolution of the
8 corporation the net assets remaining shall be applied to one or more
9 charitable or educational purposes, as near as may be to those for
10 which the corporation was formed, to be selected by a majority of
11 the trustees of the corporation with the approval of the commis-
12 sioner; and in case of the failure or inability of the trustees to so
13 select, or in case of any disagreement in respect to the validity of
14 such selection, the same shall be made by the Superior Court by
15 application of the doctrine of cy pres and other applicable equitable
16 doctrines in a summary proceeding initiated by one or more
17 trustees, or by any other person having a substantial interest in the
18 provisions of this section, including, without limitation, the com-
19 missioner or the Attorney General.

1 4. A nonprofit corporation organized under Title 15 of the
2 Revised Statutes for the purpose of establishing, maintaining and
3 operating a nonprofit dental service plan, as described in section
4 2 (a) of this act, intending to do so as a dental service corporation
5 certified under and thereby subject to the provisions of this act,
6 shall seek certification therefor by application to the commissioner.

7 The application of such a corporation shall include a certified copy
8 of its certificate of incorporation, a copy of its by-laws certified
9 by the lawful custodian of the original, and a statement in such
10 form and detail as the commissioner shall prescribe, showing its
11 financial condition, its proposed methods and places of operation,
12 and such other matters as the commissioner shall prescribe, signed
13 and sworn to by its president and secretary or other proper officers.
14 If the commissioner is satisfied, on the basis of examination or
15 otherwise, that such corporation is organized without capital stock
16 and not for pecuniary profit and has complied with the require-
17 ments of this act and that its condition or methods of operation
18 are not such as would render its operations hazardous to the public
19 of its subscribers, the commissioner shall issue a certificate of
20 authority to such corporation as a dental service corporation of
21 this State. A corporation to which a certificate of authority has
22 been issued under this act thenceforth shall be subject in all its
23 activities to the provisions of this act as long as the certificate
24 of authority as issued or thereafter amended remains in effect.
25 No change in, or amendment to, or alteration in, addition to, or
26 substitution of any document, instrument or other papers so filed
27 with the commissioner shall become operative or effective until the
28 same shall also have been filed with the commissioner in a similar
29 manner. No certificate of authority shall be issued to any corpora-
30 tion not incorporated as a corporation without capital stock and
31 not for pecuniary profit under the laws of this State, or to any
32 corporation which, prior to or pending its application for such
33 certificate, has solicited a subscriber or issued a subscription
34 certificate. No dental service corporation shall solicit a subscriber
35 or issue a subscription certificate until its board of trustees has
36 been fully constituted as provided in this act.

1 5. In reviewing any application for authority to operate under
2 this act, the commissioner shall be guided by the following
3 standards:

4 (a) It shall be shown that the initial working funds are adequate.
5 No certificate of authority shall be issued to any applicant therefor
6 except on receipt of evidence by the commissioner that such ap-
7 plicant is in possession of unencumbered funds of not less than
8 \$25,000.00 and that such amount is held in cash or in bank to its
9 credit. From and after the issuance of a certificate of authority
10 to an applicant, the corporation shall maintain such amount as a
11 general surplus over and above its reserves, liabilities, and special
12 contingent surplus.

13 (b) It shall be shown that the applicant has enlisted a sufficient
14 number of participating dentists, with skills in appropriate fields
15 and accessible to subscribers, to indicate ability to render the
16 intended dental service. In carrying out the intent of this section
17 the commissioner shall determine that at least 100 dentists have
18 agreed to participate.

19 (c) It shall be shown that the applicant will accept as a par-
20 ticipating dentist any dentist authorized to practice dentistry in
21 the jurisdiction where his services are to be rendered, and who is
22 ready, available and willing to render dental service to be provided
23 under a contract or contracts.

1 6. The activities and operations of a dental service corporation
2 shall be conducted by a board of trustees composed initially of an
3 even number of persons, not less than 14 in all, as may be specified
4 in the certificate of incorporation, $\frac{1}{2}$ of whom shall be persons
5 who are licensed to practice dentistry in this State and who are
6 holders of active registration certificates in good standing. The
7 initial members of the board shall elect one additional person to
8 serve as chairman of the board to preside at all meetings of the
9 board, and who shall be a member of the board and participate in
10 its work and functions, except that he shall cast no vote on any
11 matter coming before the board except in case of a tie in the votes
12 cast by the other members of the board. The offering and opera-
13 tion of contracts and agreements under the authority of this act
14 shall not constitute the practice of dentistry.

1 7. Every contract made by any dental service corporation to
2 provide payment for dental service shall provide for the payment
3 for dental service for a period of 12 months, and no contract shall
4 be made providing for the inception of such services at a date
5 later than one year after the actual date of the making of such
6 contract. Any such contract may provide that it shall be auto-
7 matically renewed from year to year unless there shall have been
8 90 days prior written notice of termination by either the subscriber
9 or the corporation. No contract between the corporation and a
10 subscriber shall provide for payment for dental services for more
11 than one person, except that a family contract may provide that
12 payment will be made for dental services rendered to a subscriber
13 and covered dependents.

1 8. Every contract entered into by the corporation with any sub-
2 scriber shall be in writing and a certificate stating the terms and
3 *conditions thereof shall be furnished to the subscriber. No such*
4 *subscription certificate shall be issued or delivered by any dental*
5 *service corporation unless it contains the following provisions:*

6 (a) A statement of the amounts payable to the corporation by
7 the subscriber and the times at which and the manner in which such
8 amounts shall be paid; and a provision requiring 90 days' written
9 notice to the subscriber before any change in the contract, including
10 a change in the amount of subscription rate, shall take effect;

11 (b) a statement of the nature of the dental services to be paid
12 for and the period during which the certificate is effective; and if
13 there are any types of dental services to be excepted, or for which
14 benefits are limited, a detailed statement of such exceptions and
15 limitations printed as hereinafter specified;

16 (c) a statement of the terms or conditions, if any, upon which the
17 certificate may be canceled or otherwise terminated at the option
18 of either party;

19 (d) a statement that the subscription certificate constitutes the
20 contract between the corporation and the subscriber and includes
21 the endorsements thereon and attached papers, if any, and contains
22 the entire contract;

23 (e) a statement that no statement by the subscriber in his applica-
24 tion for a certificate shall void the contract or be used in any legal
25 proceeding thereunder, unless such application or an exact copy
26 thereof is included in or attached to the certificate, and that no
27 agent or representative of the corporation, other than an officer or
28 officers designated in the certificate, is authorized to change the
29 contract or waive any of its provisions;

30 (f) a statement that if the subscriber defaults in making any
31 payment under the certificate, the subsequent acceptance of a pay-
32 ment by the corporation or by one of its duly authorized agents
33 shall reinstate the contract, but such reinstatement shall not pro-
34 vide coverage for the period during which the subscriber was in
35 default in making such payment;

36 (g) a statement of the period of grace which will be allowed the
37 subscriber for making any payment due under the contract, which
38 period shall not be less than 10 days;

39 (h) a statement that indemnity in the form of cash will not be
40 paid to any subscriber except in payment for dental services for
41 which the corporation was liable at the time of such payment.

1 9. Any dental service corporation may classify subscribers
2 whereby under specified circumstances a subscriber or covered
5 services and the subscription certificate issued to any subscriber
3 dependents may pay a participating dentist for dental services an
4 amount in addition to that payable by the corporation for dental
6 affected thereby shall contain the provisions thereof and shall
7 specify such circumstances. No subscriber or covered dependent

8 shall be liable for that portion of a participating dentist's fee for
9 dental service specified in the subscriber's certificate, which is to be
10 paid by the corporation to the participating dentist.

1 10. Any subscription certificate may contain a provision that all
2 dental services paid for by a dental service corporation shall be in
3 accordance with the accepted dental practices in the community at
4 the time, but the corporation shall not be liable for injuries result-
5 ing from negligence, misfeasance, malfeasance, nonfeasance or
6 malpractice on the part of any officer or employee or on the part of
7 any dentist or others engaged by him in the course of rendering
8 dental services to subscribers.

1 11. In every subscription certificate issued or delivered by any
2 dental service corporation of this State:

3 (a) All printed portions shall be plainly printed in type of which
4 the face is not smaller than 10 point;

5 (b) there shall be a brief description of the subscription certifi-
6 cate on its first page and on its filing back, in type of which the
7 face is not smaller than 14 point;

8 (c) the exceptions and limitations of the contract shall appear
9 with the same prominence in the certificate as the benefits to which
10 they apply; and

11 (d) if the contract contains any provisions purporting to make
12 any portion of the articles, constitution or by-laws or regulations
13 of the corporation or plans a part of the contract, such portion
14 shall be set forth in full.

1 12. Any dental service corporation may enter into agreements
2 with eligible dentists whereby such dentists become participating
3 dentists in a plan operated by the corporation and may make to such
4 dentists such payments as shall have accrued by reason of services
5 required to be performed under the plan. No person shall become
6 a participating dentist unless he shall be a dentist authorized to
7 practice dentistry under the laws of this State. Any dental service
8 corporation may enter into contracts for the payment of dental
9 services to the subscribers or members of similar nonprofit dental
10 service corporations of this or any other State, subject to the super-
11 vision of the State in which such similar corporation is located, and
12 shall have the right to make payment to any other nonprofit dental
13 service corporation, or to any dentists authorized to practice
14 dentistry in this or any other State for services rendered to its
15 subscribers and their covered dependents at rates not exceeding the
16 rates paid participating dentists under the certificate of the sub-
17 scriber. The making of any such contract or arrangement, or the
18 rendering of dental service pursuant thereto, shall not be a violation

19 of any law, rule or regulation governing the practice of dentistry.

1 13. No subscription certificate shall be issued by any dental
2 service corporation to any subscriber unless and until the form
3 thereof shall have been filed with the commissioner, together with
4 all applications, riders and endorsements for use in connection with
5 the issuance or renewal thereof. If the commissioner shall at any
6 time notify the corporation filing the same of his disapproval of any
7 such form, as contrary to law, or as being oppressive or calculated
8 to mislead the public, specifying particulars, it shall be unlawful for
9 such corporation thereafter to issue any such form so disapproved.
10 Such disapproval of the commissioner shall be subject to review
11 by the Superior Court in a proceeding in lieu of prerogative writ.

1 14. No dental service corporation shall enter into any contract
2 with a subscriber unless and until it shall have filed with the com-
3 missioner a full schedule of the rates to be paid by the subscribers
4 to such contracts. The commissioner may disapprove such schedule
4A of rates at any time if he finds that such rates are excessive, in-
5 adequate or discriminatory. It shall be unlawful for any dental
6 service corporation whose schedule of rates has been disapproved
7 to effect any contract or issue any subscription certificate until a
8 revised schedule of rates has been filed. Such disapproval by the
9 commissioner shall be subject to review by the Superior Court in a
10 proceeding in lieu of prerogative writ.

1 15. No dental service corporation shall enter into any contract
2 with a subscriber unless and until it shall have filed with the com-
3 missioner a copy of the agreement proposed to be entered into by
4 the corporation and the participating dentists. Every such agree-
5 ment shall provide for the payment of dental services to sub-
6 scribers and covered dependents to the end of the subscription
7 certificate year; that 30 days' written notice of termination of
8 such agreement may be given to the corporation at any time by any
9 participating dentist but shall not apply to any subscription certi-
10 ficate in force at the time of such notice until the first date there-
11 after when such subscription certificate may properly be terminated
12 by the corporation, and that the agreement of the dentist to render
13 such service to the end of any certificate year shall not be affected
14 by cessation of the transaction of business by reason of appropriate
15 resolution of the board of trustees, or directors of such corporation,
16 injunction issued by a court of competent authority, legislative
17 act or by any other exercise of judicial, administrative or legisla-
18 tive authority; provided, that this requirement shall not apply to
19 any subscription certificate which is not maintained in force by

20 the payment of premiums required thereby. There shall be included
21 in the minutes of the board of trustees of every dental service
22 corporation a record of the approval of payments to be made to
23 participating dentists. The corporation shall maintain in its office
24 complete records of all the dental services rendered to subscribers
25 and covered dependents in such form as will indicate the kind of
26 services rendered, the amounts claimed for such services by the
27 participating dentists, and the amounts paid by the corporation.
28 No payment to any participating dentists shall be authorized by
29 the board of trustees except in accordance with a plan of payments
30 adopted by the board, recorded in the minutes of a meeting, and
31 filed with the commissioner. If the commissioner at any time
32 shall notify the corporation of his disapproval of any rate of
33 payment included in the plan of payments as being excessive or
34 inadequate in itself or in relation to other rates of payment,
35 payment shall not thereafter be made at the rate. In making his
36 determination the commissioner shall give consideration to prevail-
37 ing rates of payment by hospital, medical and dental service cor-
38 porations of this and other States for similar services under similar
39 conditions, the fair relationships of the values of the different
40 kinds of services covered in the plan of payments and any other
41 relevant facts. At the time of filing a plan and thereafter upon
42 request of the commissioner, the corporation shall furnish to the
43 commissioner such information as the commissioner shall specify
44 to facilitate review of the plan of payments.

1 16. A dental service corporation may also issue to a policyholder
2 a group contract, covering at least 10 employees or members at
3 the date of issue, if it conforms to the following description:

4 (a) A contract issued to an employer or to the trustees of a fund
5 established by one or more employers, or issued to a labor union,
6 or issued to an association formed for purposes other than obtain-
7 ing such contract, or issued to the trustees of a fund established by
8 one or more labor unions or by one or more employers and one or
9 more labor unions, covering employees and members of associa-
10 tions or labor unions.

11 (b) A contract issued to cover any other group which the com-
12 missioner determines may be covered in accordance with sound
13 underwriting principles.

14 Benefits may be provided for one or more members of the
15 families or one or more dependents of persons who may be covered
16 under a group contract referred to in (a) or (b) above.

17 The contract may provide that the terms "employees" shall
18 include as employees of a single employer the employees of one

19 or more subsidiary corporations and the employees, individual
20 proprietors and partners of affiliated corporations, proprietorships
21 and partnerships if the business of the employer and such corpora-
22 tions, proprietorships or partnerships is under common control
23 through stock ownership, contract or otherwise. The contract may
24 provide that the term "employees" shall include the individual
25 proprietor or partners of an individual proprietorship or a partner-
26 ship. The contract may provide that the term "employees" shall
27 include retired employees. A contract issued to trustees may
28 provide that the term "employees" shall include the trustees or
29 their employees, or both, if their duties are principally connected
30 with such trusteeship. A contract issued to the trustees of a fund
31 established by the members of an association of employers may
32 provide that the term "employees" shall include the employees of
33 the association.

1 17. The provisions of this act shall apply to group contracts
2 except that sections 7, 8, 11 and 14 of this act shall not apply. The
3 word "subscriber" as used in this act means the policyholder under
4 a group contract where the context so requires.

1 18. Every group contract entered into by a dental service cor-
2 poration with any policyholder shall be in writing and a contract
3 form stating the terms and conditions thereof shall be furnished
4 to the policyholder to be kept by him. No group contract form
5 shall be used unless it contains the following provisions:

6 (a) A statement of the contract rate payable to the dental service
7 corporation by or on behalf of the policyholder for the original
8 period of coverage, the time or times at which, the manner in which,
9 the contract rate due is to be paid, and the basis, if any, on which
10 the rate may subsequently be adjusted;

11 (b) A provision that all contract rates due under the contract
12 shall be paid by the policyholder, or by the designated representa-
13 tive of the policyholder, to the dental service corporation on or
14 before the due date thereof or within such period of grace as may
15 be specified therein;

16 (c) A statement of the nature of the dental services to be paid
17 for and the period during which such payments will be made, and
18 if there are any services to be excepted, a detailed statement of such
19 exceptions;

20 (d) A provision that the contract, any endorsements or riders
21 thereto, the application of the policyholder in whose name the con-
22 tract is issued, a copy of which shall be attached to the contract,
23 and the individual applications, if any, of the employees or members
24 shall constitute the entire contract between the parties and that all

25 statements contained in any such application for coverage shall
26 be deemed representations and not warranties ;

27 (e) A provision that there shall be issued to the policyholder,
28 for delivery to the employee or member, a certificate or other
29 document which sets forth or summarizes the essential features of
30 the coverage including the time, place and method for making
31 claims for benefits ;

32 (f) A provision that all new employees or new members, as the
33 case may be, in the groups or classes eligible for the coverage must
34 be added to the eligible groups or classes ;

35 (g) A statement of the terms and conditions, if any, upon which
36 the contract may be terminated or amended. Any notice to the
37 policyholder shall be effective if sent by mail to the policyholder's
38 address as shown at the time on the corporation's records. The
39 notice to the policyholder as herein required shall be sent at least
40 30 days before the termination or amendment of the contract takes
41 effect.

42 Any such group contract may contain a provision that all dental
43 services paid for by a dental service corporation shall be in accord-
44 ance with the accepted dental practices in the community at the
45 time, but the corporation shall not be liable for injuries resulting
46 from negligence, misfeasance, malfeasance, nonfeasance or mal-
47 practice on the part of any officer or employee or on the part of
48 any dentist or others engaged by him in the course of rendering
49 dental services to persons covered.

50 Any dental service corporation may classify persons covered
51 whereby under specified circumstances a covered person may pay
52 a participating dentist for dental services an amount in addition
53 to that payable by the corporation for dental services and the group
54 contract shall contain the provisions thereof and specify such
55 circumstances.

1 19. Group contracts, covering at least 100 employees or members,
2 may provide for the adjustment of the contract rate, based on both
3 past and contemplated experience thereunder, at the end of the
4 first year or any subsequent year of coverage thereunder but no
5 increase in the contract rate shall be retroactive. No dental service
6 corporation shall use any form of experience rating plan until it
7 shall have filed with the commissioner a full schedule of the rates
8 and formulas to be used and the classes of groups to which they
9 are to apply. The commissioner may disapprove the rates, formulas
10 or classes at any time if he finds that the rates produced thereby
11 are excessive, inadequate or unfairly discriminatory or that the

12 rates, formulas or classes are such as to prejudice the interests of
13 persons who are eligible for dental services under contracts with
14 the dental service corporation which are not subject to experience
15 rating.

16 No experience rating formula shall be approved by the commis-
17 sioner unless it provides that the groups subject to experience
18 rating will be assessed a reasonable community charge and unless
19 it incorporates a provision that, in no event, shall the rates charged
20 an experience rated group be more than 25% in excess of or more
21 than 25% below the average projected rates to be charged all
22 experience rated groups, having comparable coverage, as of the
23 end of the calendar quarter next following the ending date of the
24 experience period for the group in question.

25 Any experience rating formula may provide for the allowance
26 of an equitable discount in the event the policyholder agrees to
27 perform certain administrative functions and record keeping in
28 connection with routine maintenance of the group account.

1 20. A dental service corporation of this State may enter into
2 agreements to participate with other corporations in the issuance
3 of group contracts to policyholders whose employees or members
4 are located in more than one State. Without regard to the size
5 limitation and the percentage limitations specified in the first and
6 second paragraphs, respectively, of section 19 of this act, the agree-
7 ments may provide for experience rating, for a sharing of the
8 premium, claims, and expenses by the participating corporations
9 or for acceptance or ceding of the whole or portions of group risks
10 on a reinsurance basis. No such agreements shall, however,
11 prejudice the interests of persons who are eligible for dental serv-
12 ices under other contracts with the dental service corporation.
13 Such agreements shall be filed with and approved by the commis-
14 sioner before becoming effective.

1 21. No dental service corporation shall issue group contracts
2 which are not experience rated pursuant to sections 19 or 20 of
3 this act, until it shall have filed with the commissioner a full
4 schedule of the rates which are to apply to such contracts. The
5 commissioner may disapprove such schedule at any time if he
6 finds that such rates are excessive, inadequate or unfairly dis-
7 criminatory. It shall be unlawful for any corporation to effect any
8 such group contract according to such rates thereafter.

1 22. All practices, rules and procedures of a dental service cor-
2 poration, involving termination or refusal to renew coverage,
3 modification of coverage or rates in the case of persons classified

4 as left-group, selection of risks, and underwriting classifications,
5 shall be subject to review at any time by the commissioner and
6 upon his request for information relative to any such practice,
7 rule or procedure the dental service corporation shall furnish such
8 information in writing without delay. If in the opinion of the com-
9 missioner any such practice, rule or procedure, is unjust, unfair,
10 or inequitable, taking into consideration the nonprofit and tax-
11 exempt status of the dental service corporation, he shall so notify
12 the dental service corporation and fix a time and place for hearing
13 before him or his designated representative at which the dental
14 service corporation may be heard.

15 Following such hearing, the commissioner may make an order
16 based on the record of the proceeding. If such order be one of
17 disapproval, it shall be unlawful for the corporation to continue
18 such practice, rule, or procedure. Such disapproval by the com-
19 missioner shall be subject to review by the Superior Court in a
20 proceeding in lieu of prerogative writ.

1 23. Every corporation to which this act shall be applicable shall
2 pay the following fees to the commissioner for enforcement of the
3 provisions of this act, viz.: for filing its application and charter,
4 \$10.00; for filing each annual statement, \$20.00; for each copy of
5 any paper filed in the Department of Banking and Insurance, \$0.20
6 a sheet or folio of 100 words and \$1.00 for certifying the same.
7 In addition, such corporation shall pay on April 1 of each year a
8 general supervisory fee to the commissioner in the amount of \$0.02
9 per subscriber at the end of the preceding year under subscription
10 contracts other than group contracts, plus \$0.02 per member or
11 employee covered under group contracts at the end of the preceding
12 year.

1 24. If the commissioner shall determine that the amount dis-
2 bursed during any 12-month period by a dental service corporation
3 as expenses of operation is excessive in proportion to the amount
4 it received from subscribers during that period, the corporation
5 shall reduce its expenses during the 12-month period next following
6 notification of the commissioner's determination to the proportion
7 directed by the commissioner. In making his determination the
8 commissioner shall give consideration to the number of subscribers
9 enrolled, the aggregate payments by subscribers, the length of
10 time the corporation has been certified as a dental service corpo-
11 ration, the expense rates of hospital, medical and dental service
12 corporations of this and other States under similar conditions and
13 any other relevant facts. In no event shall a dental service corpora-
14 tion disburse an amount during any 12-month period for expenses

15 of operation greater than 30% of the amount it receives from
16 subscribers during that period.

1 25. The funds of any dental service corporation may be in-
2 vested only in accordance with the requirements now or hereafter
3 provided by law for the investment of funds of life insurance
4 companies. Every dental service corporation after the first full
5 calendar year of doing business after the effective date of this
6 act, shall accumulate and maintain a special contingent surplus
7 over and above its reserves and liabilities at the rate of 2% annually
8 of its net contract and certificate income until such surplus shall
9 be not less than \$100,000.00, except that no such corporation shall
10 be required to maintain a special contingent surplus exceeding
11 55% of its average annual contract and certificate income for the
12 previous 5 years.

1 26. Every dental service corporation transacting business in
2 this State shall file annually, on or before March 1, in the Depart-
3 ment of Banking and Insurance, a statement in such form and
4 detail as the commissioner shall prescribe, subscribed and sworn to
5 by its president and secretary, or in their absence by 2 of its
6 principal officers, showing its financial condition at the close of
7 business on December 31 of the year last preceding, its business
8 transacted during that year, and such other matters as the com-
9 missioner shall prescribe. The commissioner may also address
10 inquiries to any such corporation or its officers in relation to its
11 condition or affairs, or any matter connected with its transactions,
12 and it shall be the duty of the officers of such corporation to reply
13 promptly in writing to all such inquiries; for good cause shown the
14 commissioner may extend the time within which any such state-
15 ment may be filed.

1 27. Any dental service corporation neglecting to make and file
2 its annual statement as required by section 26 of this act, or
3 neglecting to reply in writing to inquiries of the commissioner
4 within such reasonable time as may be specified by him, shall
5 forfeit \$25.00 for each day's neglect, to be recovered in a civil
6 action; and upon notice by the commissioner to such effect, its
7 authority to do new business in this State shall cease while such
8 default continues.

1 28. (a) The commissioner shall have the power, whenever he
2 deems the same expedient, to make or cause to be made an exam-
3 ination of the assets and liabilities, method of conducting business
4 and all other affairs of every dental service corporation authorized
5 or which has made application for authority to transact business

6 under the provisions of this act. For the purpose of such exam-
7 ination the commissioner may commission and employ such persons
8 to conduct the same or to assist therein as he may deem advisable,
9 which examination may be conducted in any State in which the cor-
10 poration examined has an office, agent or place of business.

11 (b) The reasonable expense of such examination shall be fixed
12 and determined by the commissioner and he shall collect the same
13 from the corporation examined, which shall pay same on presen-
14 tation of a detailed account of such expense. In case any corpora-
15 tion, after such examination, shall be adjudged by the Superior
16 Court to be insolvent, the expense of such examination, if unpaid,
17-19 shall be ordered paid out of the assets of the corporation. No
20 dental service corporation shall, either directly or indirectly, pay,
21 by way of gift, credit or otherwise, any other or further sum to the
22 commissioner or to any person in the employ of the Department
23 of Banking and Insurance, for extra service or for purposes of
24 legislation, or for any other purpose whatsoever.

25 (c) It shall be the duty of the officers, agent and employees of
26 any such corporation to exhibit all its books, records and accounts
27 for the purpose of such examination and otherwise to facilitate the
28 same so far as it may be in their power to do so, and for that
29 purpose the commissioner and his deputies, assistants and em-
30 ployees shall have the power to examine, under oath, the officers,
31 agents and employees of any such corporation relative to its busi-
32 ness and affairs.

1 29. Whenever any dental service corporation shall become
2 insolvent or shall suspend its ordinary business for want of funds
3 to carry on the same, or whenever the commissioner shall ascertain,
4 as a result of examination as authorized by this act, or in any
5 other manner, that any such dental service corporation is exceeding
6 its powers or violating the law or that its condition or methods
7 of business are such as to render the continuance of its operations
8 hazardous to the public or its members, that its assets are less
9 than its liabilities or that the number of subscribers to its service
10 has decreased to less than 100 persons, or that it has failed to
11 maintain the number of participating dentists specified by this
12 act, the commissioner may institute an action in the Superior Court
13 to enjoin it from the transaction of any further business, or from
14 the transfer or disposal of its property in any manner whatsoever.
15 The court may proceed in the action in a summary manner or other-
16 wise. It may grant injunctive relief and appoint a receiver, with
17 power to sue for, collect, receive and take into his possession all

18 the goods and chattels, rights and credits, moneys and effects,
19 lands and tenement, books, papers, choses in action, bills, notes
20 and property of every description belonging to such dental service
21 corporation and sell and convey and assign the same, and hold
22 and dispose of the proceeds thereof under the directions of the
23 Superior Court. The court may cause the receiver to continue the
24 existing operations of the corporation, under court supervision,
25 until the next anniversary of the subscription certificates then in
26 force. Any such dental service corporation may be deemed in-
27 solvent whenever it is presently or prospectively unable to fulfill
28 its outstanding contracts and to maintain the reserves required
29 pursuant to this act.

1 30. Any dental service corporation which shall have violated any
2 of the provisions of, or shall have neglected, failed or refused to
3 comply with, any of the requirements of this act, except the failure
4 to file an annual statement and the failure to reply in writing to in-
5 quiries of the commissioner, shall be liable to a penalty of \$500.00,
6 to be sued for and collected by the commissioner in a civil action
7 in the name of the State. The penalties when recovered shall be
8 paid by the commissioner into the State Treasury for the use of the
9 State. Any officer, agent, employee or member of any such cor-
10 poration or any other person who shall issue, circulate or cause or
11 permit to be circulated, any estimate, illustration, circular of any
12 sort misrepresenting the terms of any contract issued by such cor-
13 poration or misrepresent the benefits or advantages promised
14 thereby, or use any name or title of any contract or class of con-
15 tracts misrepresenting the true nature thereof shall be guilty of a
16 misdemeanor.

1 31. A dental service corporation may receive and accept from
2 any governmental agencies, Federal, State or local, any grant
3 or allocation of funds for the purpose of providing payment for
4 dental services to eligible persons under such terms or conditions
5 as shall be specified by such agency. Any dental service corporation
6 may in its discretion accept the grant of funds from private
7 agencies, corporations, associations, groups of individuals or in-
8 dividuals for the purpose of providing dental services to needy
9 persons under such conditions as shall be satisfactory to such
10 persons or organizations and to the corporation. All funds received
11 under such grants shall be segregated in a separate fund or funds
12 to be used for the purposes agreed upon. Neither the income from
13 subscribers to the corporation, nor the assets accumulated from
14 income received from subscribers shall be available for the payment
15 of any obligations assumed by the corporation under such grants,

16 nor shall any funds received through such grants be available
17 for the payment of the obligations assumed by the corporation
18 under its subscription certificates. The authority of the commis-
19 sioner under the provisions of this act shall not extend to funds
20 received under such grants except to such extent as is necessary to
21 satisfy him that the requirements of this act have been complied
22 with.

1 32. Every dental service corporation is hereby declared to
2 be a charitable and benevolent institution, and its funds and prop-
3 erty shall be exempt from taxation by the State or any political
4 subdivision thereof.

1 33. Should any provision or section of this act be held invalid
2 for any reason, such holding shall not be construed as affecting
3 the validity of any remaining portion of such section or of this
4 act, it being intent of the Legislature that this act shall stand
5 notwithstanding the invalidity of any such provision or section.

1 34. No person, association or corporation shall engage in any
2 activity provided for in this act unless organized and authorized
3 in accordance with its provisions; but this shall not preclude
4 activities authorized under other enabling acts, nor shall it apply
5 to any arrangement or activity which is subject to regulation
6 under other applicable law of this State or of the United States.

1 35. This act shall be liberally construed to the end that its objec-
2 tives may be achieved with maximum flexibility and variety.

1 36. This act shall be known and may be referred to by its short
2 title as the "Dental Service Corporation Act of 1968."

1 37. This act shall take effect immediately.