

10:67-1.5 Basis of reimbursement

- (a) (No change.)
- (b) The Maximum Fee Allowance Schedule is based on the Healthcare Common Procedure Coding System (HCPCS). For HCPCS codes and Maximum Fee Allowance Schedule, see N.J.A.C. 10:67-3. For billing instructions, see the Fiscal Agent Billing Supplement [in]. **For instructions on how to obtain a copy of the Fiscal Agent Billing Supplement see the Appendix of this chapter.**
- (c) (No change.)

SUBCHAPTER 2. GENERAL PROVISIONS

10:67-2.2 Provisions for services rendered in specific settings including institutional settings

- (a) (No change.)
- (b) A psychologist employed and/or under contract with a facility including a general hospital, a private psychiatric, or State or [County] **county** (Government) psychiatric hospital, an intermediate care [facility/mental retardation] **facility for individuals with intellectual disabilities**, or a residential treatment center (that has a provider agreement with the New Jersey Medicaid/NJ FamilyCare program) may not bill directly for psychological services provided to Medicaid/NJ FamilyCare patients.
- (c) (No change.)

10:67-2.3 Prior authorization

- (a)-(c) (No change.)
 - (d) The request for prior authorization shall be submitted on the Form FD-07 "Request for Prior Authorization for Mental Health Services and/or Mental Health Rehabilitation Services" and the Form FD-07A "Request for Prior Authorization: Supplemental Information." See the [Fiscal Agent Billing Supplement for] **Appendix** following this chapter **for instructions on obtaining a copy of the Fiscal Agent Billing Supplement, which contains a sample of the forms, [for] instructions on how to complete them, and [for] information about the need for the authorization number on the claim form.**
- 1.-4. (No change.)

APPENDIX

FISCAL AGENT BILLING SUPPLEMENT

AGENCY NOTE: The Fiscal Agent Billing Supplement is appended as part of this chapter but is not reproduced in the New Jersey Administrative Code. When revisions are made to the Fiscal Agent Billing Supplement, replacement pages will be distributed to providers and copies will be filed with the Office of Administrative Law. For a copy of the Fiscal Agent Billing Supplement, access www.njmmis.com or write to:

[Unisys] **Gainwell Technologies**
 Provider Services Unit
 PO Box 4804
 Trenton, New Jersey 08650-4804

or contact:

Office of Administrative Law
 Quakerbridge Plaza, Building 9
 PO Box 049
 Trenton, New Jersey 08625-0049

CORRECTIONS

(a)

THE COMMISSIONER

**Notice of Readoption
 Security and Control**

Readoption: N.J.A.C. 10A:3

Authority: N.J.S.A. 30:1B-6 and 30:1B-10.

Authorized By: Victoria L. Kuhn, Acting Commissioner,
 Department of Corrections.

Effective Date: November 23, 2021.

New Expiration Date: November 23, 2028.

Take notice that pursuant to N.J.S.A. 52:14B-5.1, N.J.A.C. 10A:3, Security and Control, is readopted and shall continue in effect for a seven-year period. The rules were scheduled to expire on February 9, 2022. The Department of Corrections has reviewed these rules and has determined that the rules should be readopted without change because they are necessary, reasonable, and proper for the purpose for which they were originally promulgated.

The Security and Control rules at N.J.A.C. 10A:3 set forth provisions for: authorization, transfers to, and removal from: 1) keep separate status; 2) custody staff authority and the use of force, restraints, of chemical or natural agents, related training, and penalties for violation; 3) firearms training, qualification, and requalification, authorization, storage, penalties for violations; 4) searches of inmates and facilities, discovery, seizure, and disposal of prohibited substances and contraband, and polygraph; 5) inmate transports and supervision; and 6) security threat groups.

In accordance with N.J.S.A. 52:14B-5.1.c(1), timely filing of this notice extends the expiration date of the chapter seven years from the date of filing.

INSURANCE

(b)

**DEPARTMENT OF BANKING AND INSURANCE
 DIVISION OF INSURANCE**

**Notice of Readoption
 Legal Insurance**

Readoption: N.J.A.C. 11:12

Authority: N.J.S.A. 17:1-8.1, 17:1-15.e, and 17:46C-1 through 31.

Authorized By: Marlene Caride, Commissioner, Department of
 Banking and Insurance.

Effective Date: November 23, 2021.

New Expiration Date: November 23, 2028.

Take notice that pursuant to N.J.S.A. 52:14B-5.1, the rules at N.J.A.C. 11:12 were scheduled to expire on August 6, 2021. Pursuant to Executive Order Nos. 127 (2020) and 244 (2021) and P.L. 2021, c. 103, any chapter of the New Jersey Administrative Code that would otherwise have expired during the Public Health Emergency originally declared in Executive Order No. 103 (2020) is extended through January 1, 2022. Therefore, this chapter has not yet expired and the 30-day filing date pursuant to N.J.S.A. 52:14B-5.1.c has not yet occurred, therefore, pursuant to Executive Order No. 244 (2021), and P.L. 2021, c. 103, this notice of readoption is timely filed.

The rules at N.J.A.C. 11:12 govern legal insurance in this State. N.J.A.C. 11:12-1.1 sets forth definitions of terms used in the chapter. N.J.A.C. 11:12-1.2 requires entities to meet certain conditions before writing legal insurance and to provide certain documentation to the Commissioner of the Department of Banking and Insurance (Commissioner). These conditions include providing evidence of authority to transact the business of insurance in New Jersey, the submission of a copy of the policy and certificate forms to be used by the entity, and the submission of the rating system upon which legal insurance rates will be based. N.J.A.C. 11:12-1.3 requires an insurer transacting legal insurance to submit experience reports no later than March 1 on a form to be prescribed by the Commissioner. N.J.A.C. 11:12-1.4 requires an insurer who obtains a certificate of authority pursuant to N.J.S.A. 17:46C-4 to submit an annual report no later than March 1 on a form to be prescribed by the Commissioner.

The Department of Banking and Insurance has reviewed these rules and has determined that the rules should be readopted without change. The rules are necessary, reasonable, and proper for the purpose for which they were originally promulgated. Therefore, pursuant to N.J.S.A. 52:14B-5.1.c(1), the rules are readopted and shall continue in effect for a seven-year period.

(a)

**DEPARTMENT OF BANKING AND INSURANCE
DIVISION OF INSURANCE**

**Notice of Readoption
Third-Party Administrators**

Readoption with Technical Changes: N.J.A.C. 11:23

Authority: N.J.S.A. 17:1-8.1, 17:1-15.e, and 17B:27B-1 et seq.
Authorized By: Marlene Caride, Commissioner, Department of
Banking and Insurance.

Effective Dates: November 23, 2021, Readoption;
December 20, 2021, Technical Changes.
New Expiration Date: November 23, 2028.

Take notice that pursuant to N.J.S.A. 52:14B-5.1, the rules at N.J.A.C. 11:23 were scheduled to expire on June 26, 2021. Pursuant to Executive Order Nos. 127 (2020) and 244 (2021) and P.L. 2021, c. 103, any chapter of the New Jersey Administrative Code that would otherwise have expired during the Public Health Emergency originally declared in Executive Order No. 103 (2020) is extended through January 1, 2022. Therefore, this chapter has not yet expired and the 30-day filing date pursuant to N.J.S.A. 52:14B-5.1.c has not yet occurred, therefore, pursuant to Executive Order No. 244 (2021), and P.L. 2021, c. 103, this notice of readoption is timely filed.

The rules in this chapter were promulgated to implement N.J.S.A. 17B:27B-1 et seq. (Act), which requires all third-party administrators of health and dental benefits plans to be licensed or registered with the Commissioner of the Department of Banking and Insurance (Commissioner). The Act sets forth various requirements, including applicant information, the standards for approval of applications, annual reporting requirements, and fiduciary duties. In accordance with the Act, N.J.A.C. 11:23 was adopted effective April 4, 2005, and contains the following rules:

N.J.A.C. 11:23-1 sets forth the general provisions of the chapter. N.J.A.C. 11:23-1.1 provides the purpose and scope of the chapter. N.J.A.C. 11:23-1.2 defines the terms used throughout the chapter.

N.J.A.C. 11:23-2 sets forth the licensing or registration requirements for third-party administrators. N.J.A.C. 11:23-2.1 provides when licensure or registration as a third-party administrator is required. N.J.A.C. 11:23-2.2 sets forth the application filing requirements for licensure or registration, including all the information that must be included with the application. N.J.A.C. 11:23-2.3 contains the standards for approval of applications. N.J.A.C. 11:23-2.4 provides the procedure for review of the applications. N.J.A.C. 11:23-2.5 sets forth the standards for the denial of applications. N.J.A.C. 11:23-2.6 provides that applicants for licensure or registration may be subject to an organizational investigation or examination by the Department of Banking and Insurance (Department).

N.J.A.C. 11:23-3.1 includes the requirement that there be written agreements between the administrator and benefits payer and the provisions that the agreement must contain. N.J.A.C. 11:23-3.2 sets forth the provisions concerning the books and records of third-party administrators. N.J.A.C. 11:23-3.3 contains the rules for compensation of third-party administrators who adjudicate claims. N.J.A.C. 11:23-3.4 provides that a third-party administrator acts in a fiduciary capacity in the receipt and transmittal of the funds of the benefits payers. N.J.A.C. 11:23-3.5 includes the requirement that all funds remitted to an administrator by a benefits payer licensed or authorized to do business in New Jersey be held in a separate account. N.J.A.C. 11:23-3.6 sets forth the requirement

that policies, certificates, booklets, termination notices, or other written communications delivered by the benefits payer to the administrator be promptly delivered to enrollees by the administrator. N.J.A.C. 11:23-3.7 includes the requirement that a third-party administrator notify the Commissioner of any change of control or other material fact affecting its qualifications for licensure, including changes in names or contracts and the addition of new clients or new benefits payers; and the requirement that third-party administrators file an annual report with the Department. N.J.A.C. 11:23-3.8 contains annual reporting requirements. N.J.A.C. 11:23-3.9 sets forth the requirement that third-party administrators not contract with, or on behalf of, a self-funded Multiple Employer Welfare Arrangement that is not registered pursuant to N.J.S.A. 17B:27C-1 et seq.

N.J.A.C. 11:23-4.1 sets forth the grounds for suspension or revocation of a license or registration. N.J.A.C. 11:23-4.2 provides the grounds for the immediate, temporary suspension of a license or registration, if certain conditions are met. N.J.A.C. 11:23-4.3 contains the grounds for the imposition of a civil administrative penalty in lieu of, or in addition to, a suspension or revocation of a license or registration.

N.J.A.C. 11:23-5 contains the rules for third-party billing services. N.J.A.C. 11:23-5.1 sets forth the requirement that anyone acting as a third-party billing service in New Jersey must obtain a certification as a third-party billing servicer. N.J.A.C. 11:23-5.2 provides the application filing requirements for certification as a third-party billing service. N.J.A.C. 11:23-5.3 includes the information that an applicant for certification as a third-party billing service must provide to the Department. N.J.A.C. 11:23-5.4 sets forth the minimum standards for approval of an application for certification as a third-party billing service by the Commissioner. N.J.A.C. 11:23-5.5 provides the standards for the Commissioner to deny an application for certification. N.J.A.C. 11:23-5.6 contains the requirement that no third-party billing service shall conduct business with a client without a written agreement and the minimum provisions to be included in such an agreement. N.J.A.C. 11:23-5.7 sets forth the requirement that third-party billing services that accept monies from benefit payers on behalf of clients act in a fiduciary capacity on behalf of the clients in the receipt and transmittal of funds. N.J.A.C. 11:23-5.8 provides the requirement that a third-party billing service immediately notify the Commissioner of any fact or circumstance affecting its continuing qualification for certification, including any material change in ownership or control. N.J.A.C. 11:23-5.9 contains the standards for revocation or suspension of a third-party billing service's certification. N.J.A.C. 11:23-5.10 sets forth that the Commissioner may, upon notice and a hearing, assess a civil administrative penalty for each day that a third-party billing service is in violation of the Act.

The Department has reviewed N.J.A.C. 11:23 and has determined the existing rules continue to be necessary, reasonable, and proper for the purpose for which they were originally promulgated. Accordingly, pursuant to N.J.S.A. 52:14B-5.1.c(1), the rules are readopted and shall continue in effect for a seven-year period, with the following technical changes: correcting the Department's website address and the National Association of Insurance Commissioners's (NAIC) website address set forth at N.J.A.C. 11:23-2.2(b), and correcting the Department's website address set forth at N.J.A.C. 11:23-5.2(a).

Full text of the technical changes follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

CHAPTER 23

[THIRD PARTY] **THIRD-PARTY ADMINISTRATORS**

SUBCHAPTER 2. LICENSE OR REGISTRATION
REQUIREMENTS FOR [THIRD PARTY]
THIRD-PARTY ADMINISTRATORS

11:23-2.2 Application filing requirements for licensure or registration of [third party] **third-party** administrators

(a) (No change.)

(b) Application for licensure or registration shall be made on a form prescribed by the Commissioner which can be found on the Department's website at [www.njdoabi.org/tpapage.htm] **www.state.nj.us/dobi/division**