

(e) A schedule of charges, in addition to meeting any other requirements imposed by statute or regulation, must meet the following criteria:

1. The ratio of retention to the charge falls within the limitations set forth by N.J.S.A. 17:48D-14; and,
2. The portion of charges intended for professional dental services meets the standards prescribed by N.J.A.C. 11:10-1.9(a)1.

(f) A schedule of charges for a supplemental dental plan is also subject to (a) through (e) above. In determining whether such charges comply with (a) through (e) above, the Department shall consider whether the charges for a supplemental dental plan are proportionately equivalent to the charges for a dental plan providing greater benefits. For example, charges for a supplemental dental plan covering 20 percent of dental expenses must be no more than one-fifth of the charges for a plan covering 100 percent of these dental expenses.

Amended by R.1994 d.200, effective April 18, 1994.  
See: 26 N.J.R. 738(a), 26 N.J.R. 1661(a).

#### 11:10-1.13 Renewal of Certificate of Authority

(a) Every request by a DPO for renewal of its Certificate of Authority shall be in writing and received by the Department at least 60 days prior to the renewal date.

(b) A request for renewal of a DPO Certificate of Authority shall include at least the following items:

1. The completed Certificate of Authority Renewal Affidavit set forth as Appendix A to this chapter, incorporated herein by reference, signed by a principal officer of the DPO responsible for conducting the affairs of the DPO and notarized; and
2. The completed Certificate of Authority Renewal Request Form set forth as Appendix B to this chapter, incorporated herein by reference, containing all the information required therein.

(c) The items set forth in (b) above shall be submitted to the Department at the following address:

Chief, Managed Care Bureau  
Office of Life and Health  
New Jersey Department of Banking and Insurance  
20 West State Street  
PO Box 325  
Trenton, NJ 08625-0325

New Rule, R.1994 d.200, effective April 18, 1994.  
See: 26 N.J.R. 738(a), 26 N.J.R. 1661(a).

#### 11:10-1.14 Enforcement

(a) Any DPO which violates any provision of this subchapter shall be subject to the appropriate penalty for violations of N.J.S.A. 17:48D-1 et seq., including suspension, nonrenewal or revocation of its certificate of authority.

(b) Any DPO that fails to reply to any inquiry of the Commissioner or fails to file quarterly or annual reports pursuant to this subchapter shall be subject to penalties pursuant to N.J.S.A. 17B:21-2.

Recodified from 11:10-1.13 by R.1994 d.200, effective April 18, 1994.  
See: 26 N.J.R. 738(a), 26 N.J.R. 1661(a).

#### 11:10-1.15 Separability

If any provision of this subchapter, or its application to any person or circumstances, is held invalid, the remainder of this subchapter and its application to other persons or circumstances shall not be affected.

Recodified from 11:10-1.14 by R.1994 d.200, effective April 18, 1994.  
See: 26 N.J.R. 738(a), 26 N.J.R. 1661(a).

### SUBCHAPTER 2. EMPLOYEE'S DENTAL BENEFIT PLANS; ALTERNATE COVERAGE

#### 11:10-2.1 Purpose

P.L. 1983, Chapters 142 through 145, require that each employer or other organization subject thereto offer its employees or members the option of selecting alternate coverage which permits covered persons to obtain dental services from any dentist of their choice whenever the employer is contributing to a dental plan contract (as described in N.J.A.C. 11:10-2.2(a)). These statutes also direct the Commissioner to promulgate rules and regulations to effectuate their purposes. This subchapter is being promulgated to meet this statutory mandate and to implement the notification requirements of the statutes.

#### 11:10-2.2 Scope and application

(a) This subchapter applies to each employer or other organization which:

1. Employs or has 25 or more employees or members during the full preceding calendar year; and

2. Contributes to a dental plan contract.

(b) Insurers, dental plan organizations, and dental service corporations which are authorized to enter into contracts providing dental coverage are also subject to this subchapter.

Amended by R.1985 d.220, effective May 6, 1985. See: 17 N.J.R. 45(a), 17 N.J.R. 1129(b). Subsection (b) deleted and (c) recodified to (b).

11:10-2.3 Definitions

The following words and terms, when used in this subchapter, have the following meanings unless the context clearly indicates otherwise:

“Alternative coverage” means a plan that permits covered persons to obtain dental services from any licensed dentist.

“Dental plan contract” means any contract issued by a health insurer, dental plan organization, or dental service corporation which restricts covered persons in selecting the providers of dental services to a single provider or a limited number of providers.

“Enrollment period” means a period of time, of not less than one month’s duration, prior to the renewal of a dental plan contract during which employees or members are afforded the option to be covered under the dental plan contract or alternative coverage.

“Other organization” means a group of 25 or more members to which a dental plan contract has been or is to be issued including, but not limited to, labor unions and associations.

“Renewal” means to begin a new term of the contract or to add an amendment to the contract.

New Rule, R.1985 d.220, effective May 6, 1985. See: 17 N.J.R. 45(a), 17 N.J.R. 1129(b). Old section 2.3 recodified to 2.4.

11:10-2.4 Notification of affected parties

(a) An insurer, dental plan organization and dental service corporation shall provide to each employer or other organization to which this subchapter applies a copy of N.J.S.A. 17:48D-9.1 and 9.2 (as appropriate) and this subchapter at the time of offering a dental plan contract as defined in this subchapter.

Amended by R.1985 d.220, effective May 6, 1985. See: 17 N.J.R. 45(a), 17 N.J.R. 1129(b). Recodified from 2.3.

11:10-2.5 General rules

(a) Each health insurer, dental service corporation, or dental plan organization shall, at the time a dental plan contract is offered or at the time of renewal, obtain written verification from each employer or other organization of compliance with P.L. 1983, c.142 through 145, and this subchapter.

(b) Each employer or other organization, at the time of offering or renewal of a dental plan contract shall furnish to the health insurer, dental service corporation, or dental plan organization written verification of compliance with P.L. 1983, c.142 through 145 and this subchapter.

(c) Each employer or other organization at the time of offering or renewal of a dental plan contract shall provide in the written notice required by N.J.A.C. 11:10-2.4(b) and (c) an outline of the differences in coverages and cost to the employee or members and their eligible dependents between a dental plan contract and the alternative coverage.

(d) The alternative coverage may be provided through an insurance contract, on a self-funded basis, or by any means which meets the approval of the Commissioner.

(e) Each employer or other organization shall contribute to the alternative coverage an amount equal to the premium or cost which it pays or contributes to the dental plan contract. Such contribution shall be adjusted when the premium or cost which it pays or contributes to the dental plan changes.

New Rule, R.1985 d.220, effective May 6, 1985. See: 17 N.J.R. 45(a), 17 N.J.R. 1129(b).

11:10-2.6 Separability

If any provision of this subchapter, or its application to any person or circumstances, is held invalid, the remainder of this subchapter and its application to other persons or circumstances shall not be affected.

Amended by R.1985 d.220, effective May 6, 1985. See: 17 N.J.R. 45(a), 17 N.J.R. 1129(b). Recodified from 2.4.

APPENDIX A

CERTIFICATE OF AUTHORITY RENEWAL AFFIDAVIT

State of \_\_\_\_\_

County of \_\_\_\_\_

The undersigned, being duly sworn according to law upon his/her oath deposes and says:

I, \_\_\_\_\_ in my capacity as (Affiant’s full printed name—no initials) \_\_\_\_\_, on behalf of (Affiant’s title) \_\_\_\_\_, which is located at (Name of dental plan organization) \_\_\_\_\_ (Street and City where dental plan organization is located)

in New Jersey, do hereby make application for the renewal of the Certificate of Authority of the above-named dental plan organization, which Certificate of Authority shall otherwise expire on \_\_\_\_\_

(Expiration date and year)

I do hereby certify on this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, under penalty of perjury that I am a principal officer of the above-named dental plan organization, and that all statements made herein and in the Certificate of Authority Renewal Request Form attached hereto and incorporated herein are true and correct to the best of my knowledge and belief.

(Signature of Affiant)

Subscribed and duly sworn before me, the undersigned authority, on this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

(Seal)

(Notary Public)

My Commission Expires \_\_\_\_\_

New Rule, R.1994 d.200, effective April 18, 1994. See: 26 N.J.R. 738(a), 26 N.J.R. 1661(a).

APPENDIX B

DENTAL PLAN ORGANIZATION CERTIFICATE OF AUTHORITY RENEWAL REQUEST FORM

Full Name and Address of Dental Plan Organization

\_\_\_\_\_  
\_\_\_\_\_

Provide relevant information to each numbered item below. If an item is not applicable, mark it as nonapplicable or NA. Failure to respond to all items may delay the review process. If you need more space than is provided to answer any item, attach additional pages to complete the answer. Please number answers in accordance with the item number. Submit all documents required to be attached to this form with this form, indicating the item number to which the document is responsive. When completed, and no later than 60 days prior to the date of expiration of the current Certificate of Authority, submit this form and all attachments, the Certificate of Authority Renewal Affidavit and the required renewal fee to:

Chief, Managed Care Bureau  
Office of Life and Health  
New Jersey Department of Banking and Insurance  
20 West State Street  
PO Box 325  
Trenton, NJ 08625-0325

- 1. List, in reverse chronological order, any changes which have been made in the past three (3) years to the articles of incorporation, articles of association, partnership agreement, shareholder agreement, bylaws and other documents regulating the conduct or internal affairs of the DPO. Specify the date of change and document changed, date submitted to the Department and the date of the Department's approval, if applicable.

- 2. List any new officers, partners or members of the DPO's Board of Directors, Board of Trustees, Executive Committee or other governing board or committee, who have been hired, elected or appointed within the past three (3) years. (Provide full name; date of hire, election or appointment; and date of submission of Biographical Affidavit (NAIC form) to the Department.)

If Biographical Affidavit has not been submitted to the Department, so indicate and submit with this renewal request form. Please use NAIC format for Biographical Affidavit.

- 3. Have any professional, occupational or vocational licenses of any officer, partner or members of the DPO's Board of Directors, Board of Trustees, Executive Committee or other governing board or committee been amended or terminated within the past three (3) years?  
YES \_\_\_\_ NO \_\_\_\_

If yes, attach a list indicating name, position, type of license, date of amendment or termination and an explanation.

- 4. Has any officer, partner or member of the DPO's Board of Directors, Board of Trustees, Executive Committee or other governing board or committee or any other person responsible for conducting the affairs of the DPO:

- a. Been indicted or convicted of a crime, misdemeanor or disorderly person offense in this State, other state, or by the federal government?  
YES \_\_\_\_ NO \_\_\_\_

If yes, attach a certified copy of the indictment or judgment of conviction, which may be obtained from the clerk of the court where the conviction was entered.

- b. Had any business or professional license been suspended or revoked?  
YES \_\_\_\_ NO \_\_\_\_

If yes, attach a copy of the order of suspension or revocation from the professional or governmental authority.

- c. Filed for bankruptcy, been declared bankrupt or made an assignment for benefit of creditors?  
YES \_\_\_\_ NO \_\_\_\_

If yes, attach a copy of the bankruptcy petition, complaint in bankruptcy, or complaint in action for assignment to creditors.

- 5. Have any changes been made or any new contracts or agreements been made with any consultant, finder or business manager within the past three (3) years?  
YES \_\_\_\_ NO \_\_\_\_

If yes, attach a list including a brief description of the change, date of submission to and date of approval by the Department.

- 6. Have any changes been made to provider contracts in the past three (3) years?  
YES \_\_\_\_ NO \_\_\_\_

If yes, attach a list including a brief description of the change, date of submission to and date of approval by the Department.

- 7. In reverse chronological order, specify the number of "full-time equivalent dentists", as defined at N.J.A.C. 11:10-1.3, under contract with the DPO as of the date of the submis-

sion of this form and December 31 of the two immediately preceding years:

Current \_\_\_\_\_:  
 12/31/\_\_\_\_: \_\_\_\_\_  
 12/31/\_\_\_\_: \_\_\_\_\_

- Attach a list of any changes which have been made to the form of any group or non-group contract or evidence of coverage within the past three (3) years, specifying the type of form, form number, date submitted to the Department and date of Department approval.
- List the number of group and non-group contracts in force and the group and non-group enrollees' count as of the date of this form and at December 31 of the prior two (2) years.

Group Contracts	Group employees	Group dependents	NonGroup contracts	NonGroup subscribers	NonGroup dependents
Current ____:	_____	_____	_____	_____	_____
12/31/____:	_____	_____	_____	_____	_____
12/31/____:	_____	_____	_____	_____	_____

- List in reverse chronological order how many types of benefit plans currently are being offered, and the number available on December 31 of the two immediately preceding years.  
 Current \_\_\_\_\_:  
 12/31/\_\_\_\_: \_\_\_\_\_  
 12/31/\_\_\_\_: \_\_\_\_\_

- Give a brief description of any changes made to the schedule of charges within the past three (3) years listing dates of submission to the Department.  
 \_\_\_\_\_  
 \_\_\_\_\_

- For plans utilizing a rate book methodology, submit a copy of the rate book and a certification that states the date last filed with the Department and that all plans currently in force have been rated using this methodology (note any exceptions and the reason).  
 \_\_\_\_\_  
 \_\_\_\_\_

- Have any changes been made to any marketing or advertising materials in the past three (3) years?  
 YES \_\_\_\_ NO \_\_\_\_  
 If yes, has the material been submitted to the Department?  
 \_\_\_\_\_

If no, attach copies with this renewal request form.

- As of the date of this form and December 31 of the prior two years, list the number of complaints (see N.J.S.A. 17:48D-12) made during the year and the number outstanding.

	Complaints Made	Complaints Outstanding
Current _____:	_____	_____
12/31/____:	_____	_____
12/31/____:	_____	_____

- On a year-to-date basis, list the gross contract and certificate income, the percentage of gross contract and certificate income used for the direct provision of professional dental services to enrollees (as defined at N.J.A.C. 11:10-1.9) and the profit or loss after income taxes, for the quarter ending on or before the date of this form and the December 31 of the prior two years.

Gross Contracts and Certificate Income	Dental Expense	Dental Expense Percent	Administrative Expense	Administrative Expense %	Profit or Loss
Qtr. Ending _____:	_____	_____	_____	_____	_____
12/31/____:	_____	_____	_____	_____	_____
12/31/____:	_____	_____	_____	_____	_____

- List the total surplus, as of the quarter ending on or before the date of this form and December 31 of the prior two years.

	Total Surplus
Qtr. Ending _____:	_____
12/31/____:	_____
12/31/____:	_____

- In compliance with N.J.A.C. 11:10-1.8, the general surplus, as of the quarter ending on or prior to the date of this form, has been maintained as follows:

Balance Sheet Item	Amount
_____	_____
_____	_____
<b>Total</b>	_____

- In compliance with N.J.S.A. 17:48D-7, the special contingent surplus, as of the quarter ending on or prior to the date of this form, has been maintained as follows:

Balance Sheet Item	Amount
_____	_____
_____	_____
<b>Total</b>	_____

(Date)

(Signature)

(Type Name)

(Title)

- In compliance with N.J.A.C. 11:10-1.12(c)2, the specialist pool surplus, as of the quarter ending on or before the date of this submission and December 31 of the prior two years.

**TOTAL SPECIALIST POOL**

- Qtr. Ending: \_\_\_\_\_  
 12/31/\_\_\_\_ \_\_\_\_\_  
 12/31/\_\_\_\_ \_\_\_\_\_

- Pursuant to N.J.A.C. 11:10-2.5(a), have you received written verification from each employer or other organizations as set forth at N.J.A.C. 11:10-2.2 that they are in compliance with N.J.A.C. 11:10-2 and N.J.S.A. 17:48D-9.1 and 9.2?

YES \_\_\_\_ NO \_\_\_\_

If no, explain the actions you will take to acquire such verifications.  
 \_\_\_\_\_  
 \_\_\_\_\_

New Rule, R.1994 d.200, effective April 18, 1994.  
 See: 26 N.J.R. 738(a), 26 N.J.R. 1661(a).