

**CHAPTER 87****JOINT NEGOTIATIONS BY PHYSICIANS AND DENTISTS WITH HEALTH AND DENTAL BENEFIT CARRIERS****Authority**

N.J.S.A. 52:17B-209

**Source and Effective Date**R.2005 d.281, effective October 3, 2005.  
See: 36 N.J.R. 3511(a), 37 N.J.R. 3837(a).**Chapter Expiration Date**

Chapter 87, Joint Negotiations by Physicians and Dentists with Health and Dental Benefit Carriers, expires on October 3, 2010.

**Chapter Historical Note**

Chapter 87, Joint Negotiations by Physicians and Dentists with Health and Dental Benefit Carriers, was adopted as new rule by R.2005 d.281, effective October 3, 2005. See: Source and Effective Date.

**CHAPTER TABLE OF CONTENTS****SUBCHAPTER 1. GENERAL PROVISIONS**

- 13:87-1.1 Purpose and scope
- 13:87-1.2 Definitions
- 13:87-1.3 Fees

**SUBCHAPTER 2. PETITION REQUIREMENTS**

- 13:87-2.1 Petitions
- 13:87-2.2 Contents of petition
- 13:87-2.3 Fee-related negotiations
- 13:87-2.4 Attestations
- 13:87-2.5 Requests for additional information

**SUBCHAPTER 3. REVIEW OF PETITION**

- 13:87-3.1 Complete filing
- 13:87-3.2 Meetings with staff
- 13:87-3.3 Full disclosure
- 13:87-3.4 Attorney General's investigation
- 13:87-3.5 Withdrawal of petition
- 13:87-3.6 Written authorization required

**SUBCHAPTER 4. REVIEW OF PROPOSED CONTRACTS**

- 13:87-4.1 Filing requirements for proposed contracts
- 13:87-4.2 Contents of filing for proposed contracts
- 13:87-4.3 Written authorization required

**SUBCHAPTER 5. REMEDIAL MEASURES**

- 13:87-5.1 Time for resubmission
- 13:87-5.2 Review of remedial actions

**SUBCHAPTER 6. SUBSEQUENT NEGOTIATIONS AND CONTRACT MODIFICATIONS**

- 13:87-6.1 Resuming joint negotiations after a failed negotiation
- 13:87-6.2 Joint negotiations to modify an approved contract
- 13:87-6.3 Review of contracts negotiated under this subchapter

**SUBCHAPTER 7. CARRIER COMMENTS REGARDING PETITION**

- 13:87-7.1 Filing of written submissions

**SUBCHAPTER 8. CONFIDENTIALITY OF INFORMATION**

- 13:87-8.1 No public disclosure of information
- 13:87-8.2 Exemption from Open Public Records Act

**SUBCHAPTER 9. FORMS**

- 13:87-9.1 Contract information disclosure authorization (CID authorization)
- 13:87-9.2 Notice to carrier of filing petition (Notice to Carrier)
- 13:87-9.3 Contract information form (CIF)

**SUBCHAPTER 1. GENERAL PROVISIONS****13:87-1.1 Purpose and scope**

This chapter establishes procedures to implement N.J.S.A. 52:17B-196 through 209 under which competing physicians and dentists may jointly negotiate contracts with health and dental benefits carriers subject to the approval of the Attorney General and to qualify such joint negotiations and related activities for the State action immunity under the Federal antitrust laws.

**13:87-1.2 Definitions**

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

“Carrier” means an insurance company, health service corporation, hospital service corporation, medical service corporation or health maintenance organization which is authorized to issue health benefits plans in this State and a dental service corporation or dental plan organization authorized to issue dental plans in this State.

“Division of Criminal Justice” means the New Jersey Division of Criminal Justice.

“Dental benefits plan” means a benefits plan which pays or provides dental expense benefits for covered services and is delivered or issued for delivery in this State by or through a dental carrier.

“Dentist” means a person who is licensed to practice dentistry by the New Jersey State Board of Dentistry in accordance with the provisions of Title 45 of the Revised Statutes.

“DOBI” means the New Jersey Department of Banking and Insurance.

“DOHSS” means the New Jersey Department of Health and Senior Services.

“Fee-related negotiation” means a joint negotiation involving one or more of the terms and conditions listed in N.J.S.A. 52:17B-199 or any other term of a contract which establishes or has the effect of establishing a fee.

“Health benefits plan” means a plan which pays or provides hospital and medical expense benefits for covered services, and is delivered or issued for delivery in this State by or through a carrier. For the purposes of this chapter, health benefits plan does not include the following plans, policies or contracts: Medicare supplement coverage and risk contracts, accident only, specified disease or other limited benefit, credit, disability, long-term care, Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) supplement coverage, coverage arising out of a workers’ compensation or similar law, automobile medical payment insurance, personal injury protection insurance issued pursuant to P.L. 1972, c.70 (N.J.S.A. 39:6A-1 et seq.), dental or vision care coverage only, or hospital expense or confinement indemnity coverage only.

“Independent practice association (IPA)” means an association of individual physicians that provide services on a negotiated capitation rate, fee-for-services basis, or flat retainer fee.

“Integrated practice group (IPG)” means a group of non-competing physicians/dentists, including one or more participating physicians/dentists, who are clinically integrated and/or share substantial financial risk.

“Joint negotiation representative” means a representative selected by two or more independent physicians or dentists, and approved by the Attorney General pursuant to this chapter, to engage in joint negotiations with a carrier on their behalf.

“Metropolitan Statistical Area (MSA)” means the designation of certain urban areas across the United States by the United States Department of Commerce (areas with more than 50,000 people) for the purpose of data collection and tracking.

“Negotiation group” means a group of participating physicians/dentists that is seeking, has sought, or has obtained Attorney General approval to engage in communications with competitors and/or engage in joint negotiations with a carrier pursuant to N.J.S.A. 52:17B-196 et seq. and this chapter.

“Non-fee-related negotiation” means a joint negotiation involving the terms and conditions listed in N.J.S.A. 52:17B-198 or any other term that is not a fee or fee related term.

“Participating physician/dentist” means a member of a negotiation group.

“Person” means an individual, association, corporation, or any other legal entity.

“Petition” means an initial filing submitted by a physicians’ or a dentists’ representative on behalf of a negotiation group seeking Attorney General approval to engage in communications with competitors and/or joint negotiations with a carrier pursuant to N.J.S.A. 52:17B-196 et seq. and this chapter.

“Physician” means a person who is licensed to practice medicine and surgery by the State Board of Medical Examiners in accordance with the provisions of Title 45 of the Revised Statutes.

“Physicians’/dentists’ representative” or “representative” means a third party who is authorized by physicians/dentists to negotiate on their behalf with carriers over contractual terms and conditions affecting those physicians/dentists.

“Product” means a type of health benefits plan and/or dental benefits plan (for example, a commercial health maintenance organization (HMO), a commercial preferred provider organization (PPO), or an indemnity plan).

### 13:87-1.3 Fees

(a) Each petition submitted to the Division of Criminal Justice that proposes only non-fee-related negotiations shall be accompanied by a \$6,000 fee. In addition, each contract (including contract renewals and modifications) submitted to the Division of Criminal Justice which is the result of only non-fee-related negotiations shall be accompanied by a \$3,000 fee.

(b) Each petition submitted to the Division of Criminal Justice that proposes a fee-related negotiation shall be accompanied by a \$10,000 fee. In addition, each contract (including contract renewals and modifications) submitted to the Division of Criminal Justice which is the result of a fee-related negotiation shall be accompanied by a \$5,000 fee.

(c) Physicians’/Dentists’ representative. In addition to the fees listed above, for each petition submitted to the Division of Criminal Justice, the representative shall pay a \$5,000 fee to act as a representative.

(d) The fees required by (a) through (c) above shall be by cashier’s check or money order, made payable to the Division of Criminal Justice. All fees are nonrefundable, except as provided in N.J.A.C. 13:87-2.1(f) and 3.5 (relating to withdrawal of petition).