CONVENTUS

The New Jersey Out-of-Network (OON) Act: What it Means for Your Practice

On June 1, 2018, New Jersey Governor Phil Murphy signed the **"Out-of-Network Consumer Protection, Transparency, Cost Containment and Accountability Act,"** A2039 into law ("The Act"). The Act was designed to protect healthcare consumers from unexpected billing for out-of-network charges, as well as promote transparency for physician and facility fees incurred by patients. If provisions of the Act are violated, it will affect your payments, and can also result in fines and disciplinary actions. Important misconceptions about the law:

Misconception #1: ***"The law really hasn't gone into effect, even though it is past August 30th."***

The law is currently in effect, and your practice is expected to comply now. In fact, both the **NJ Board of Medical Examiners** and **NJ Department of Banking and Insurance** have issued interim interpretive guidelines and clarification.

Misconception #2: ***"I'm in-network with all insurances, so I don't have to worry or do anything else."***

In fact, the law requires a practice to list in writing or on a website all the health benefit plans in which you are a participating provider, regardless of whether you think your practice accepts everything. And, it's not just the carrier, but down to the specific plan level. The provider must also inform the patient prior to the appointment in writing or on the website, and then again at the appointment, either verbally or in writing.

Misconception #3: ***"I always tell my patients whether I'm in or out of network, so I don't need to change anything"***

For non-emergency services, the law requires that the patient knowingly, voluntarily and specifically selects the OON provider and is given the appropriate disclosures that you are OON with the patient's specific health benefits plan. Otherwise, you will not be able to charge the patient above the in-network fees. Therefore, your practice needs an appropriate disclosure form as evidence that the patient knowingly, voluntarily and specifically chose you as an OON provider.

For Conventus member owners, we have developed an Out-of-Network Toolkit containing:

- **Sample patient disclosure forms**
- **Suggested website content and recommendations for implementation**
- **Key talking points for scheduling staff**
- **Health care professional disclosure requirements (see reverse)**
- **And more...**

Misconception #4: ***"I can waive a portion of my fees so that it's more affordable for OON patients to come to me."***

The law specifically prohibits a provider from directly, indirectly, or knowingly waiving, rebating, giving, paying or offering to waive, rebate or pay all or part of a covered person's deductible, copayment or coinsurance as inducement for the patient to seek services from an OON provider. There may be some instances where you may be able to reduce the fees, such as for financial hardship, but you will need a formal policy/procedure in your office that is consistently applied by all providers and is not used as an inducement to utilize your services.

Health Care Professional Disclosure Requirements

Non-Emergency Services

Prior to scheduling an appointment, must list participating health benefits plans and health facilities with which they are affiliated on a website or in writing.

At the time of the appointment, verbally or in writing list the participating plans and health facilities affiliations.

If the provider does not participate in a covered person's plan (OON) prior to scheduling a procedure, disclose to the patient your out-of-network status, and they can request the amount or estimated amount that they will be billed for the services provided.

Upon request from patient for service from the out-of-network provider, must disclose in writing:

- The amount or estimated amount that the health care professional will bill;
- The CPT Codes associated with that service;
- Inform the patient they will be financially responsible for the health care services provided in excess of their deductible, co-pay or co-insurance and may be responsible for amounts in excess of those allowed by their health plan;
- Recommend the patient contact their health benefits carrier for consultation of costs.

Procedures In Office, Coordinated or Referrals

For office-based procedures, that involve other health care providers e.g., anesthesiology, pathology, radiology, labratory testing, assistant surgeon services provide:

- Name, practice name, mailing address and telephone number.

Provide instruction on how the patient can determine which plan the other providers participate in.

Recommend the patient contact their health benefits carrier for consultation of costs.

If a primary care physician or internist performs an unscheduled procedure in his or her office, the required disclosures may be made verbally at the time of service.

Scheduled Facility Service Inpatient or Outpatient

For scheduled facility service (inpatient or outpatient), provide the patient and the facility with:

- Name, practice name, mailing address and telephone number of other physicians whose services will be arranged by you and who are scheduled at the time of a pre-admission, registration or admission

Provide instruction on how the patient can determine which plan the other providers participate in.

Recommend the patient contact their health benefits carrier for consultation of costs.

Notify the patient promptly if the network status of the provider changes between the time of scheduling and the time the procedure takes place.

Find out how Conventus can help your practice deal with important changes like the OON Law, and many other issues that impact your practice.

Call us today at (877) 444-0484 x7466