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BULLETIN NO. 12-03

TO: ALL NEW JERSEY AUTO INSURERS

FROM: THOMAS B. CONSIDINE, COMMISSIONER

SUBJECT: WITHDRAWAL OF BULLETIN NO. 10-22

The purpose of this Bulletin is to clarify for New Jersey auto insurers certain information pertaining to providing Personal Injury Protection (“PIP”) benefits through providers who are in provider networks of managed care organizations with which the insurer or its PIP vendor has contracted.

On August 27, 2010 the Department issued [Bulletin No. 10-22](#). The Bulletin noted that N.J.A.C 11:3-4.4(d) permits auto insurers to file policy language waiving copayments and deductibles when an insured receives medical treatment from a provider who is part of an Organized Delivery System (“ODS”) that has contracted with the insurer or its PIP vendor. The Bulletin also noted that many insurers contract with other entities that function in a manner similar to ODSs and that the question of whether N.J.A.C 11:3-4.4 should be revised to also include such other entities had been raised in comments submitted on previously proposed amendments to that rule, the adoption of which became effective on July 6, 2010. The Bulletin then stated that, based upon its review of that question, the Department had decided to proceed to propose amendments to so revise the rule. Finally, the Bulletin indicated that until such time as those amendments were adopted, auto insurers could make filings as permitted by N.J.A.C 11:3-4.4(d) when they had contracted with a non-ODS provider network entity licensed or approved by the Department in order to offer waivers of deductibles and copayments as referenced in the amendments to the rule that became effective on July 6, 2010.

In the approximately 17 months since the issuance of Bulletin No. 10-22, not a single filing as referenced in the Bulletin has been made. Based on this dearth of filings, it is apparent that the insurance market has spoken and that there is no need to amend N.J.A.C 11:3-4.4(d) as described in the Bulletin. Accordingly, Bulletin No. 10-22 is hereby withdrawn.

Going forward, insurers who wish to utilize the option of waiving copayments and deductibles when an insured receives treatment from a provider who is part of a network-based entity can contract with a licensed or certified ODS, or with another similarly functioning entity upon that entity becoming licensed or certified as an ODS. No filing requirements apply with respect to insurers who contract with such entities and who do not seek to waive copayments and

deductibles.

If any insurers believe there is a continuing need for additional amendments to N.J.A.C 11:3-4.4(d) as discussed in Bulletin No. 10-22, they are invited to so advise the Department either informally or through the submission of a petition for rulemaking pursuant to N.J.A.C 15.1, et seq.

February 8, 2012

Date



Thomas B. Considine
Commissioner

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