

**HUMAN SERVICES****(a)****DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES****Notice of Readoption****Psychiatric Residential Treatment Facility Services for Individuals Under Age 21****Readoption: N.J.A.C. 10:75**

Authority: N.J.S.A. 30:4D-1 et seq. and 30:4J-8 et seq.

Authorized By: Sarah Adelman, Commissioner, Department of Human Services.

Agency Control Number: 23-NA-02.

Effective Date: August 14, 2023.

New Expiration Date: August 14, 2030.

**Take notice** that pursuant to N.J.S.A. 52:14B-5.1, the rules at N.J.A.C. 10:75, Psychiatric Residential Treatment Facility (PRTF) Services for Individuals Under Age 21, were scheduled to expire on November 30, 2023.

The chapter provides general provisions, beneficiary and provider eligibility requirements, Federal and State mandated program requirements, and billing procedures related to the provision of psychiatric residential treatment facility services to Medicaid/NJ FamilyCare beneficiaries and individuals enrolled in the Department of Children and Families' Children's System of Care, who are under age 21.

The chapter includes five subchapters:

Subchapter 1, General Provisions, describes the purpose and scope of the rules, provides the definitions used in the chapter, the rules related to program participation, beneficiary eligibility, and recordkeeping and reporting requirements related to serious occurrences.

Subchapter 2, Program Requirements, provides general program requirements, rules related to certification of need for services, authorization of services, individual treatment plans and treatment teams, utilization review of services, and temporary absences from the facility.

Subchapter 3, Emergency Safety Interventions, provides the rules related to the use of emergency safety interventions, such as the restraint or seclusion of the individual. This subchapter discusses the scope of the rules, applicable definitions, general principles regarding the use of the intervention, communications regarding the use of the interventions, required staff training and certification, timelines for the use of the interventions, types of restraint (mechanical, drug, or personal), use of seclusion, monitoring of the resident, notification of the parent or legal guardian of the resident, evaluation and any needed medical treatment after the use of the intervention, and the debriefing of the staff members involved.

Subchapter 4, Reimbursement, provides the rules related to the basis of reimbursement and describes the billing procedures.

Subchapter 5, Healthcare Common Procedure Coding System (HCPCS), provides the billing codes and related information to be used when submitting claims for the provision of PRTF services.

The Department of Human Services is issuing this notice of readoption in order to avoid expiration of the rules at N.J.A.C. 10:75 and to allow adequate time to address public comments that may be received on proposed amendments that will be published in an upcoming rulemaking.

The Department has reviewed the rules and has determined them to be necessary, reasonable, and proper for the purpose for which they were originally promulgated. Therefore, pursuant to N.J.S.A. 30:4D-1 et seq., and 30:4J-8 et seq., and in accordance with N.J.S.A. 52:14B-5.1.c(1), these rules are readopted and shall continue in effect for a seven-year period.

**INSURANCE****(b)****DEPARTMENT OF BANKING AND INSURANCE  
DIVISION OF INSURANCE****Health Benefit Plans; Health Maintenance****Organizations; and Health Care Quality Act****Application to Insurance Companies, Health****Service Corporations, Hospital Service****Corporations, and Medical Service Corporations****Adopted Amendments: N.J.A.C. 11:24-1.2 and 11:24A-1.2****Adopted New Rules: N.J.A.C. 11:22-5.9A, 11:24-5A, and 11:24A-2A**

Proposed: May 1, 2023, at 55 N.J.R. 819(a).

Adopted: August 21, 2023, by Justin Zimmerman, Acting Commissioner, Department of Banking and Insurance.

Filed: August 22, 2023, as R.2023 d.108, **without change**.

Authority: N.J.S.A. 17:1-8.1, 17:1-15.e, 26:2J-1 et seq., 26:2S-1 et seq., and 26:2SS-1 et seq.

Effective Date: September 18, 2023.

Expiration Dates: March 20, 2026, N.J.A.C. 11:22;

November 30, 2028, N.J.A.C. 11:24;

January 30, 2025, N.J.A.C. 11:24A.

**Summary of Public Comments and Agency Responses:**

The Department of Banking and Insurance (Department) received written comments from the following organizations and individuals: Abortion Justice Now; ACLU-NJ; All Above All; Cherry Hill Women's Center; Latin Action Network Foundation; National Council of Jewish Women; New Jersey Policy Perspective; New Jersey Association of Health Plans; New Jersey State Society of Physician Assistants; Planned Parenthood Action Fund of New Jersey; Stanton Strong; Abbasparker, Ibn-Umar; Agins, Justin; Albano, Sylvia and Nick; Ames, Joyce; Anish, Adel; Avallon, Barbara; Babb, Ann; Baggaley, Margaret; Banwell, Elizabeth; Barnes, Naomi; Barson, Sharyn; Beck, John; Becker, Megan; Bender, Linda; Bernstein, Ann; Bier, Diane; Bishop, Cori; Blatnik, Linda W.; Bogomolnyi, Pavel; Boice, Ruth L.; Boroshok, Ruth; Boss, Steven; Brabham, Lorraine; Brackett, Jasmine; Brandon, Leslie; Brentnall, Kelsey; Breza, Virginia; Briceland, Alicia; Brickman, Judith; Broche, Leora; Brower, Kimberly A.; Brown, Lawrence; Brush, Denise; Cabrejas, Merce Escayola; Calvanico, Tom; Camisciollli, Barbara; Carroll, Dr. Martin Donald; Carroll, Timothy; Castro, Katherine; Charles, Dorian; Chavez, Ernie; Chemetz, George; Chenelle, Susan R.; Chismar, Nancy L.; Choi, Alice; Citron, Jean M.; Clark, Craig; Clark, Martina; Clark, Susan G.; Cloud, Jarrett; Cloud, Michael; Coen, Susan P.; Cousins-Coleman, Betsy; CP; Cubeiro, Lisa; Curtri, Cristina; Davidson, Jane E.; Decohen, W.; Del Vals, Maria; DeMaio, Teri; Destefanis, Angela; Dickert, Tura; Diehl, Karen; Dietrich, Thomas; Dimeo, Rocco; Dolsky, Ken; Dorigo, Maria; Druding, Victoria; Duggan, Betty Ann; Dunietz, Heidi; Dusman, Susan; Eckstein, Susan; Eckstut, Joann; Ellis, Margaret A.; Entwistle, Leslie; Ercolano, Elaine J.; Escobar, Kevin; F., Angie; Fairless, Judy; Fe, Kit; Feigeles, Jill Becker; Ferenchak, Colleen; Ferguson, James E.; Ferrance, Marge; Flannery, Matthew; Flores, Ruby; Foster, Tracy; Foxton, Trevanne; Francois, Sandra; Frankel, Elizabeth; Fraidowitz, Bruce K.; Friedman, Gary; Froehlich, Mary E.; Fulton, Ernest; Galligan, Kathleen; Garcia, Sandra; Gato, Susan P.; Gattarella, Janet; Geary, Diane; Ghassemi, Morteza; Gilson, Ann; Goldberg, Moira; Golden, Jeanne; Goldstein, Alan; Gollub, Anna; Goodwin, Renee; Gordon, Sherry; Gorth, Michael; Gowatsky, Jaimie; Grech, Rhyann; Green, Amy; Green, Roann; Greenberg, Nikki; Griffee, Hannah; GY; Hakkinen, Emily; Halpern, Stephen; Hanlon, Susan A.; Harkov, Ronald; Hart, Kathy; Hatoff, Harlee B.; Henderson, Nicole; Henson, Linda R.; Hernandez, Jairo; Herron, Marie; Herzer, Peter; Hiddemen, Emily; Hook, Herman; Ickes, Henry; Janssen, Janet; Jelonnek, Monica; Jenkins, Leslie F.; Johnson, Amanda; Johnson, Eric; Johnson, Kenneth W.; Jones, Lily; Kahofer, Stephen;

Kaiser, Deborah; Kalison, Joyce; Kane, Pamela; Karluk, Madeline A.; Kasbarian, A.; Katz, Bette; Katz, Robin; Kelley, Paul; Kelly, Ann; Kelly, Bernadette; Kenneth, Steel John; Killoran, Diana; King, Allan; King, Fawn; Kissel, Bonnie; Kohlmann, Jeff; Koppel, Sue; Kutz, Daniel; Kwock, L.; Lanni, Patrice; Lavender, David A.; Leal, Rochelle; LeBerta, Carolyn; Leddy, Eileen; Lee, Madeleine; Lee, Robert Joe; Lerman, Eliot; Levin, Cathelizabeth Elizabeth; Levitt, Gloria; Lin, Doris; Lipari, Phil; Lipkin, Terri; Liscandro, Arthur; Loughran, Colleen; Lowenthal, Mark; Ludescher-Furth, Christiane; Lytle, Denise L.; M., Mike; Mack, Victoria; Mackanic, Janice; Macon, Natalie; Maher, Kathleen; Malahn, Paula; Manda, Peter; Manzetti, Jennifer M.; Margulis, Elise Phillips; Marinucci, Lou; Marquez, Jason; Martin, Gary; Mason, Karen; Massimo, Elizabeth; McClure, Louise; McDonald, Holly; McKillip, Linda; McLean, Elisha; McSweeney, Mary; Meluskey, Valerie; Merle, Lynn; Methven, Bernadette; Michniewicz, Stephanie; Mikaitis, Susan; Miller, Alison Hanani; Miller, Debra; Miller, Richard; Miner, Robert; Mistretta, Jeannette; Monte, Bonnie JJ; Moore, Neva S.; Mor, Mon; Morris, Bert; Munson, Sheila; Myers, Jeanette; Myklebust, Cheyenne; Nee, Michelle; Netusil, Paul; Nierenberg, Susan; Noyes, Chris; O' Connor, Eileen; O'Connell, Morgane; Osikoya, Mary; Ovalle, Claudia; Owens, Kerry; Parrott, Maureen; Patsel, Debra; Perdue, Braeden; Perez, Rosadelle; Perst, Shelagh; Peters, Julia; Plochocki, Maria L.; Portolano, Frank; Postloff, Anna; Price, Jim; Procopio-Starratt, Alicia; Quinn, Charlie & Diana; Rainsberger, Barbara; Ramos, Joann; Reichman, Edward N.; Reilly, Katie; Reisman, Liz Z.; Revesz, Mr. & Mrs. Bruce J.; Reynolds, Susan; Richkus, John W.; Richman, Kate; Ridore, Alexander; Riley, Paul Wilfrid; Ristaino, Mark; Roche, Lisa; Rojas, Leticia; Rolstron, Patricia; Rosenberg, Brian; Rozmus, Karen; Ruth; S., Denise; Sabin, Wendy; Sadowski, Edie M.; Sada, Joanne; Sandritter, Ann; Saraco, Margaret; Sasson, Gale; Satchell, Carol; Savad, Elrendar; Schaeffer, Lisa; Schafer, Helen; Schaffer, Melissa; Schepis, Deborah; Scholl, Chris; Schreiber, John F.; Schwartz, Brian A.; Scull, Sylvia; September, PJ; Shapiro, Matthew B.; Shapiro, Susen; Shaw, Carla; Shaw, Olivia; Shombert, Zoe Julian; Shubert, Gerd; Siwi, Sarah; Sklar, Dana; Smith, Jaszme; Spanier, Gerard; Spina, Barbara A.; Spring, Karen; Stark, Jefferson A.; Starr, Dr. Barbara S.; Sternberg, Elyse; Stopfer, Dan; Sytzko, Victor A.; Tanner, Robin; Taylor, Rev. Sherry; Taylor, Tiffany; Langelotti, Alexis Terese; Tillberg, Sara Nathalie; Tino, Al; Todd, Janis Baroness; Tuch, Marlene; Tullman, June; Tutunjian, Noelle; Valinoti Jr., Raymond; Vanellis Jr., John B.; Venella, Edward; Visconti, Dahlia; Vivian-Granville, Christine; Vota, Christopher F.; Walker, Karen; Walsh, LeAnn; Waltzer, Dr. Mark L.; Watson, Theresa; Weinstock, Stuart; Weir, Chris; Weiss, Ron; Weitzen, Elizabeth; Westergaard, Reid; Whitman, Sandra; Williams, Linda; Williamson, Patricia; Willner, Dina S.; Wilson, Danielle; Wisniewski, Maria; Wolf, Linda; Wolf, Todd; Woodin, Signe; Xu, Julia; Zowader, Ruth; and Zuckerman, Michael.

COMMENT: The overwhelming majority of commenters expressed support of the proposed rulemaking.

RESPONSE: The Department appreciates the support of the proposed rulemaking.

COMMENT: Several commenters expressed support for the proposed amendments and new rules, however, these commenters noted that cost sharing and/or payment of a co-pay or deductible would create a financial barrier to access. Some of these commenters requested the Department use their authority to eliminate these barriers.

RESPONSE: The Department recognizes the concerns regarding the impact of cost-sharing on access to care. However, the Freedom of Reproductive Choice Act, P.L. 2021, c. 375 (Act) does not address cost-sharing and, thus, does not authorize the Department to modify cost-sharing requirements. Thus, the proposed amendments and new rules provide that any cost-sharing applied must be the same as is applied to similar services or coverages under the policy. Therefore, the Department finds no change to the proposed amendments and new rules is necessary.

COMMENT: One commenter expressed concern that proposed N.J.A.C. 11:24-5A.3(a) and 11:24A-2A.3(a) appear to place the onus upon a health plan to determine whether an employer fulfills the definition of a religious employer pursuant to section 6033(a)(3)(A)(i) or (iii) of the Internal Revenue Code. The commenter requests the Department assess the exemption requests, either apart from, or in conjunction with, the

health plans and that the rules include a process to appeal a determination should an employer disagree with the decision to deny an exemption.

This commenter also suggested revisions at proposed N.J.A.C. 11:24-5A.3(b) and 11:24A-2A.3(b), which require a health benefit plan to provide written notice of an employer with a religious exclusion to each prospective member in certain documents, including the certificate of coverage, application, or enrollment form, and all sales and marketing materials. The commenter notes that as compliance with these regulations would be costly and may not necessarily fulfill the Department's goal of disclosure to a potential member, the health plan issue a single notice that the employer can include one time in the employee's onboarding package or in the event an employee experiences a qualifying event allowing them to switch coverage. The commenter also suggests that the Individual Health Coverage (IHC) Board and Small Employer Health (SEH) Board, in consultation with the Department, promulgate standard plan contracts and certificates of coverage that include variable text to reflect a policyholder's selection of a religious exclusion, carriers obviously will meet the requirements of those promulgated regulations.

Lastly, the commenter proposed the inclusion of clarifying language at proposed N.J.A.C. 11:24-5A.3(c) and 11:24A-2A.3(c) that would require plans provide an informational filing on employer exemptions with the Department annually, rather than *ad hoc* or on another more frequent basis.

RESPONSE: As it relates to proposed N.J.A.C. 11:24-5A.3(a) and 11:24A-2A.3(a), these changes provide that a religious employer may request, and the carrier or HMO shall grant, an exclusion for medical and surgical abortion coverage if coverage conflicts with the religious employer's *bona fide* religious beliefs and practices. The rules define "religious employer" as an organization that is organized and operates as a non-profit entity and is referred to at section 6033(a)(3)(A)(i) or (iii) of the Internal Revenue Code. The process under the proposed amendments and new rules is similar to the process for similar exemptions under existing law, including the treatment of infertility pursuant to P.L. 2017, c. 48 and should be administered in a similar manner. The Act provides that the exclusion "shall" be granted at the request of the religious employer. Thus, provided that the employer is, in fact, a "religious employer," as defined in the Act, the exclusion "shall" be granted at the religious employer's request. Therefore, an appeal process or a specific assessment by the Department does not appear to be necessary. Therefore, the Department finds no change to the proposed amendments and new rules is necessary.

As it relates to proposed N.J.A.C. 11:24-5A.3(b) and 11:24A-2A.3(b), these regulations provide that a carrier that issues a policy or contract containing a religious employer exclusion shall provide written notice of such exclusion to each prospective insured or covered person. The notice shall appear in not less than 10-point type in the certificate or evidence of coverage, the covered person's application or enrollment form, and all sales and marketing materials. Given the importance of notice to prospective insureds and the limited applicability of this requirement to eligible religious employers, the Department finds the proposed notice requirement is appropriate. Therefore, the Department finds no change to the proposed amendments and new rules is necessary. In addition, the suggestion that the IHC and SEH Boards promulgate certain documents, in consultation with the Department, to address the commenter's concerns regarding the notice requirement imposed, is outside the scope of this notice of proposal, therefore, no change to the proposed regulation is necessary.

Lastly, as it relates to proposed N.J.A.C. 11:24-5A.3(c) and 11:24A-2A.3(c), it is important that the Department track such exemptions in a timely manner. An annual filing requirement would mean that the Department would not be notified of exemptions granted for up to one year. The Department appreciates the comment and, therefore, will monitor the volume of informational filings. If the filings become overly burdensome, the Department will address the timing of these informational filings at a later date. The Department finds no change to the proposed amendments and new rules is necessary.

#### Federal Standards Statement

A Federal standards analysis is not required. As discussed in the notice of proposal, the adopted amendments and new rules reflect newly enacted

State law and are not subject to any Federal statutes, requirements, or standards.

Full text of the adoption follows:

CHAPTER 22  
HEALTH BENEFIT PLANS

SUBCHAPTER 5. MINIMUM STANDARDS FOR HEALTH  
BENEFIT PLANS, PRESCRIPTION DRUG  
PLANS, AND DENTAL PLANS

11:22-5.9A Benefits for termination of pregnancy

A health benefit plan or stand-alone prescription drug plan must provide prescription drug benefits for the termination of pregnancy consistent with N.J.S.A. 26:2S-39 and N.J.A.C. 11:22-5.9.

CHAPTER 24  
HEALTH MAINTENANCE ORGANIZATIONS

SUBCHAPTER 1. SCOPE AND DEFINITIONS

11:24-1.2 Definitions

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

...  
“Religious employer” means an organization that is organized and operates as a nonprofit entity and is referred to at section 6033(a)(3)(A)(i) or (iii) of the Internal Revenue Code of 1986 (26 U.S.C. § 6033).

...

SUBCHAPTER 5A. COVERAGE FOR TERMINATION OF  
PREGNANCY

11:24-5A.1 Scope and purpose

(a) The purpose of this subchapter is to implement N.J.S.A. 26:2S-39, and having concluded a study and issued a report to the Governor and Legislature demonstrating that such a rule is necessary, provide that health benefit plans delivered, issued, executed, or renewed in this State provide coverage for medical and surgical abortion consistent with this subchapter.

(b) This subchapter shall apply to all policies and contracts providing hospital or medical services or benefits that are delivered, issued, executed, or renewed in this State in the individual, small group, and large group markets and all health maintenance organization contracts issued pursuant to N.J.S.A. 26:2J-1 et seq.

(c) This subchapter shall not apply to any policy or contract which, pursuant to a contract between a carrier and the New Jersey Department of Human Services, provides benefits to persons who are eligible for medical assistance pursuant to P.L. 1968, c. 413 (N.J.S.A. 30:4D-1 et seq.); the Children’s Health Care Coverage Program pursuant to P.L. 1997, c. 272 (N.J.S.A. 30:4I-1 et seq.); the FamilyCare Health Coverage Program pursuant to P.L. 2000, c. 71 (N.J.S.A. 30:4J-1 et seq.); or any other program administered by the Division of Medical Assistance and Health Services in the New Jersey Department of Human Services.

11:24-5A.2 Required benefits

Except in the case of a religious employer that is granted an exclusion, pursuant to N.J.A.C. 11:24-1.2, an HMO shall provide coverage, without limit or exclusion, for medical and surgical abortion in accordance with this subchapter. The HMO may apply cost sharing, including deductible, copayment, or coinsurance, as applicable, to such services provided such cost sharing is also applied to similar services or coverages under the contract.

11:24-5A.3 Religious employer exclusion

(a) A religious employer may request, and the HMO shall grant, an exclusion for medical and surgical abortion coverage if coverage conflicts with the religious employer’s *bona fide* religious beliefs and practices. An exclusion granted pursuant to this section shall not be construed to permit an HMO to exclude coverage for care that is necessary to preserve the life or health of the member, or that is the result of an act of rape or incest.

(b) An HMO that issues a policy or contract containing a religious employer exclusion shall provide written notice of such exclusion to each prospective member or covered person. Such notice shall appear in not less than 10-point type in the certificate or evidence of coverage, the member’s application or enrollment form, and all sales and marketing materials.

(c) For each request that an HMO grants to a religious employer, pursuant to this section, the HMO shall make an informational filing with the Department of Banking and Insurance (Department), including a form of the written notice provided to prospective members pursuant to (b) above. Informational filings, including information that identifies the name of the employer, if such is not stated on the written notice, shall be made by the HMO and shall be submitted to the Department at the following address:

New Jersey Department of Banking and Insurance  
Attention: Life and Health Division  
Religious Employer Exclusion  
20 West State Street  
Trenton, NJ 08625-0325  
[lifehealth@dobi.nj.gov](mailto:lifehealth@dobi.nj.gov)

CHAPTER 24A  
HEALTH CARE QUALITY ACT APPLICATION TO INSURANCE  
COMPANIES, HEALTH SERVICE CORPORATIONS, HOSPITAL  
SERVICE CORPORATIONS, AND MEDICAL SERVICE  
CORPORATIONS

SUBCHAPTER 1. GENERAL PROVISIONS

11:24A-1.2 Definitions

For the purposes of this chapter, the words and terms set forth below shall have the following meanings, unless the word or term is further defined within a subchapter of this chapter, or the context clearly indicates otherwise:

...

“Religious employer” means an organization that is organized and operates as a nonprofit entity and is referred to at section 6033(a)(3)(A)(i) or (iii) of the Internal Revenue Code of 1986 (26 U.S.C. §6033).

...

SUBCHAPTER 2A. COVERAGE FOR TERMINATION OF  
PREGNANCY

11:24A-2A.1 Scope and purpose

(a) The purpose of this subchapter is to implement N.J.S.A. 26:2S-39, and having concluded a study and issued a report to the Governor and Legislature demonstrating that such a regulation is necessary, provide that health benefit plans delivered, issued, executed, or renewed in this State provide coverage for termination of pregnancy, consistent with this subchapter.

(b) This subchapter shall apply to all policies and contracts providing hospital or medical services or benefits that are delivered, issued, executed, or renewed in this State in the individual, small group, and large group markets as follows: all hospital service corporation contracts issued, pursuant to N.J.S.A. 17:48-1 et seq.; all medical service corporation contracts issued, pursuant to N.J.S.A. 17:48A-1 et seq.; all health service corporation contracts issued, pursuant to N.J.S.A. 17:48E-1 et seq.; and all health insurance policies issued, pursuant to N.J.S.A. 17B:26-1 et seq., 17B:27-26 et seq., 17B:27A-2 et seq., and 17B:27A-17 et seq.

(c) This subchapter shall not apply to any policy or contract that, pursuant to a contract between a carrier and the New Jersey Department of Human Services, provides benefits to persons who are eligible for medical assistance pursuant to P.L. 1968, c. 413 (N.J.S.A. 30:4D-1 et seq.); the Children’s Health Care Coverage Program pursuant to P.L. 1997, c. 272 (N.J.S.A. 30:4I-1 et seq.); the FamilyCare Health Coverage Program pursuant to P.L. 2000, c. 71 (N.J.S.A. 30:4J-1 et seq.); or any other program administered by the Division of Medical Assistance and Health Services in the New Jersey Department of Human Services.

## 11:24A-2A.2 Required benefits

Except in the case of a religious employer that is granted an exclusion, pursuant to N.J.A.C. 11:24A-24.3, a carrier shall provide coverage, without limit or exclusion, for medical and surgical abortion in accordance with this subchapter. A carrier may apply cost sharing, including deductible, copayment, or coinsurance, as applicable, to such services provided such cost sharing is also applied to similar services or coverages under the policy.

## 11:24A-2A.3 Religious employer exclusion

(a) A religious employer may request, and a carrier shall grant, an exclusion for medical and surgical abortion coverage, if coverage conflicts with the religious employer's *bona fide* religious beliefs and practices. An exclusion granted pursuant to this section shall not be construed to permit a carrier to exclude coverage for care that is necessary to preserve the life or health of the covered person or that is the result of an act of rape or incest.

(b) A carrier that issues a policy or contract containing a religious employer exclusion shall provide written notice of such exclusion to each prospective insured or covered person. Such notice shall appear in not less than 10-point type in the certificate or evidence of coverage, the covered person's application or enrollment form, and all sales and marketing materials.

(c) For each request that a carrier grants to a religious employer, pursuant to this section, the carrier shall make an informational filing with the Department of Banking and Insurance (Department), including a form of the written notice provided to prospective insureds pursuant to (b) above. Informational filings, including information that identifies the name of the employer, if such is not stated on the written notice, shall be made by the carrier and shall be submitted to the Department at the following address:

New Jersey Department of Banking and Insurance  
Attention: Life and Health Division  
Religious Employer Exclusion  
20 West State Street  
Trenton, NJ 08625-0325  
[lifehealth@dobi.nj.gov](mailto:lifehealth@dobi.nj.gov)

## LABOR AND WORKFORCE DEVELOPMENT

### (a)

#### OFFICE OF THE COMMISSIONER

#### Precondition to Award of Direct Business

#### Assistance from the Department and for the Department to Report to Another State Agency or Entity that a Business is in Substantial Good Standing with the Department; Required Contract Provision for Direct Business Assistance from the Department

#### Adopted New Rules: N.J.A.C. 12:9

Proposed: June 5, 2023, at 55 N.J.R. 1134(a).

Adopted: August 23, 2023, by Robert Asaro-Angelo, Commissioner, Department of Labor and Workforce Development.

Filed: August 23, 2023, as R.2023 d.110, **without change**.

Authority: N.J.S.A. 34:1-20.

Effective Date: September 18, 2023.

Expiration Date: September 18, 2030.

**Summary** of Hearing Officer's Recommendations and Agency's Response:

The period for submission of written comments regarding the proposed new rules ended on August 4, 2023. The Department of Labor and Workforce Development (Department) received no written comments. Therefore, David Fish, Executive Director of Legal and Regulatory

Services for the Department, recommended that the Department proceed with adoption of the new rules without change.

#### Summary of Public Comment and Agency Response:

**No comments were received.**

#### Federal Standards Statement

The adopted new rules do not exceed standards or requirements imposed by Federal law as there are currently no Federal standards or requirements applicable to the subject matter of this rulemaking. As a result, a Federal standards analysis is not required.

**Full text** of the adopted new rules follows:

#### CHAPTER 9

#### PRECONDITION TO AWARD OF DIRECT BUSINESS ASSISTANCE FROM THE DEPARTMENT AND FOR THE DEPARTMENT TO REPORT TO ANOTHER STATE AGENCY OR ENTITY THAT A BUSINESS IS IN SUBSTANTIAL GOOD STANDING WITH THE DEPARTMENT; REQUIRED CONTRACT PROVISION FOR DIRECT BUSINESS ASSISTANCE FROM THE DEPARTMENT

#### SUBCHAPTER 1. DEPARTMENT DETERMINATION; SUBSTANTIAL GOOD STANDING

##### 12:9-1.1 Purpose and scope

(a) The purpose of this subchapter is to implement P.L. 2021, c. 166 (N.J.S.A. 34:15D-33 and 34), which states that, as a precondition to the award to a person of direct business assistance from the Department, and as a precondition for the Department to report to another State agency or entity that a business is in substantial good standing, the Department shall determine whether the person has any outstanding liability to the Department, pursuant to any of the statutes or rules that the Department enforces, including, but not limited to, for unpaid contributions to the unemployment compensation fund or the State disability benefits fund; to any individual on whose behalf the Department has issued a final order for the payment of wages or benefits; or for any penalties, fees, or interest due to the Department pursuant to a final order issued pursuant to the statutes or rules that the Department enforces.

(b) This subchapter shall apply to all persons applying for direct business assistance from the Department, or regarding whom any other State agency or entity is seeking a determination from the Department that the business is in substantial good standing.

##### 12:9-1.2 Definitions

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

"Commissioner" means the Commissioner of the Department of Labor and Workforce Development, or his or her authorized representative.

"Department" means the Department of Labor and Workforce Development.

"Direct business assistance from the Department" means monetary or financial assistance in any form, including, but not limited to, a grant or other monetary or financial benefit awarded to a person by the Department to assist the person in the conduct or operation of a business, occupation, trade, or profession in the State, in connection with the following programs:

1. Customized training services provided pursuant to N.J.S.A. 34:15D-5;

2. Employment and training services provided pursuant to N.J.S.A. 34:15D-6;

3. Employment and training services funded by the Supplemental Workforce Fund for Basic Skills pursuant to N.J.S.A. 34:15D-21;

4. Outreach and training programs for minority group members and women in construction trade occupations or other occupations utilized in the performance of public works contracts funded by the New Jersey Builders Utilization Initiative for Labor Diversity (NJBUILD) pursuant to N.J.S.A. 52:38-7;

5. The New Jersey Innovation and Research Fellowship Program pursuant to N.J.S.A. 34:15D-26;