



**State of New Jersey**  
 DEPARTMENT OF BANKING AND INSURANCE  
 OFFICE OF SOLVENCY REGULATION  
 PO Box 325  
 TRENTON, NJ 08625-0325

CHRIS CHRISTIE  
*Governor*

KIM GUADAGNO  
*Lt. Governor*

THOMAS B. CONSIDINE  
*Commissioner*

TEL (609) 292-5350  
 FAX (609) 292-6765

January 6, 2011

Dear Sir or Madam,

The purpose of this correspondence is to standardize financial reporting for Third Party Administrators (TPAs) licensed or registered in New Jersey, and to ensure that data is properly captured in order to be in compliance with N.J.A.C. 11:23-3.8. All filings must be postmarked no later than June 1st. If the due date falls on a Sunday, then the deadline is extended to the next business day. **Note that any additional or revised filing requirements are outlined in bold.**

Please submit updated contact information to Fred Berger (see end of correspondence) no later than May 1, 2011. This may be sent either in a letter, fax (609-202-6765) or e-mail. The contact information should include:

- Company Name
- Contact (individual) and title
- Address
- Phone number
- Fax Number
- e-mail address

The Commissioner of Banking and Insurance (Commissioner) has the regulatory authority (N.J.A.C. 11:23-4.3) to impose enforcement remedies against a TPA for violations of any regulatory requirements including the late filing of annual reports. The Commissioner may levy an administrative penalty in an amount not less than \$250.00 or more than \$5,000.00 for each day that a TPA is in violation of the regulation. This letter is reasonable notice that any TPA that files late will be fined on a per day basis.

The TPA filing requirements are as follow: (Note the UNAUDITED Financial Statements previously due by March 1<sup>st</sup> are no longer required).

<u>ITEM</u>	<u>REPORT</u>	<u>DUE DATE</u>
A.	Annual Questionnaire	June 1

- |           |   |        |
|-----------|---|--------|
| <b>B.</b> | Annual <b>Contract Report FKA Annual Report</b> | June 1 |
| <b>C.</b> | Audited Financial Statements                    | June 1 |
| <b>D.</b> | \$100 Annual Filing Fee                         | June 1 |
- A.** Annual Questionnaire (see attached) This report must be completed in its entirety. If a specific question is not applicable to the TPA, it should be so indicated using “N/A” or “None”. Note the questionnaire must include an organizational chart which identifies the corporate structure.
- B. Annual Contract Report FKA Annual Report. This is a report on the benefit payers with which the TPA had a contract in the previous year, and which paid benefits for one or more New Jersey residents. The report shall be filed on or before June 1 for the preceding calendar year. No format is specific for this report. The report shall contain the following information:**

**Year for which the Report is filed (e.g., 2010 Contracts in Force in 2010)**  
**Name and address of TPA**  
**Contact Information (Name, Phone Number and Email of the Contact Person)**

**Specific information for Each Contract with Benefit Payer covering NJ Residents**

- 1. Name of Benefit Payer**
- 2. Type of Benefit Payer (e.g. Employer, Union, School, Health Carrier, etc.)**
- 3. Type of Benefit (e.g. Medical, Rx, Dental, Vision, Behavioral Health, etc.)**
- 4. Type of Service (e.g. Claims Payment, Utilization Management, enrollment, COBRA, etc)**
- 5. Status of Contract at Year End (Active, Terminated, Termination Date)**

**Enrollment (number of NJ residents covered by the contract, including dependents).**

**Enrollment must be provided only if all of the following are true of the plan of benefits and the TPA Contract:**

- 1. The plan for which services were provided is self-funded, not insured.**
- 2. The plan provides, at least, comprehensive medical benefits.**
- 3. The TPA provides, at least claims payment services for the comprehensive medical benefits.**

- C. **Audited Financial Statement** An Audited financial Statement for the TPA's preceding calendar year prepared on a GAAP basis, shall be filed on or before June 1 of each year. The parent company's consolidated Audited Financial Statement and its subsidiaries may be filed to meet this requirement. Additional consolidating information is recommended but is no longer a requirement.
- D. The filing fee of \$100.00 shall accompany the June 1<sup>st</sup> filings and be made payable to the State of New Jersey – General Treasury.
- E. **MAILING ADDRESS**

Every TPA shall submit 1 copy of the above required reports to:

Fred Berger  
NJ Department of Banking and Insurance  
Office of Solvency Regulation  
20 West State Street.  
PO Box 325  
Trenton, NJ 08625-0325

If you have any questions concerning this correspondence other than those pertaining to the Annual **Contract** Report please contact me at (609) 292-5350 x50070 or email me at [fred.berger@dobi.state.nj.us](mailto:fred.berger@dobi.state.nj.us).

Questions concerning the Annual **Contract** Report should be directed to Neil Vance at (609) 292-5427 x50338 or emailed at [neil.vance@dobi.state.nj.us](mailto:neil.vance@dobi.state.nj.us).

Fred Berger  
Insurance Examiner  
Health Entities Unit

Cc:  
Robert Kasinow, Assistant Commissioner  
Raymond Conover, Chief Insurance Examiner  
Frank Cipriani, Assistant Chief Insurance Examiner, Health Entities Unit  
Mary Pesce, Supervisor, Health Entities Unit  
Adelaide Phelan, Office of Life & Health  
Richard Kartes, Examiner  
Mariam Awad, Examiner