

INSURANCE
DEPARTMENT OF BANKING AND INSURANCE
DIVISION OF INSURANCE

Medical Fee Schedules: Automobile Insurance Personal Injury Protection and Motor Bus
Medical Expense Insurance Coverage
Dental Fee Schedule

Proposed Repeal and New Rule: N.J.A.C. 11:3-29 Appendix, Exhibit 2

Authorized By: Holly C. Bakke, Commissioner, Department of Banking and Insurance

Authority: N.J.S.A. 39:6A-4.6

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2004-218

Submit comments by August 6, 2004 to:

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The agency proposal follows:

Summary

N.J.S.A. 39:6A-4.6(a) provides for a biennial inflation adjustment to the fee schedules to be promulgated as prescribed by that statute. The current Dental Fee Schedule was proposed on October 15, 2001, and adopted on March 14, 2002. The Department now proposes to repeal the fee schedule and replace it with a new fee schedule that reflects the biennial adjustment for inflation. The adjustment for inflation is based on the U.S. Bureau of Labor Statistics, Consumer Price Index (CPI) in the two Metropolitan Statistical Areas that comprise New Jersey. Between

the second half of 2001 and the second half of 2003, costs increased 4.4 percent for the Philadelphia-Wilmington-Atlantic City area, corresponding to the fee schedule for Region 1. Costs increased 6.1 percent in the same period in the New York-Northern New Jersey-Long Island area, corresponding to the fee schedule for Regions 2 and 3. The numbers, rounded to the nearest dollar, reflect the CPI annual inflation averages for the periods indicated. Specific data regarding the Consumer Price Index can be found at www.bls.gov/cpi/home.htm

This proposed repeal and new rule provide for a comment period of 60 days, and therefore, pursuant to N.J.A.C. 1:30-3.3(a)5, is not subject to the provisions of N.J.A.C. 1:30-3.1 and 3.2 governing rulemaking calendars.

Social Impact

The proposed repeal and new rule affect automobile insurers, purchasers of automobile insurance and health care providers who provide dental services and equipment to New Jersey resident insureds injured in accidents involving automobiles and/or buses. Insureds and providers will benefit from these amendments, as raising the amounts in the fee schedule to adjust for inflation will make it more attractive for dentists to offer to treat victims of auto accidents and, consequently, a larger pool of providers from which insureds may choose to receive dental services will be created. Insurers will also benefit, as provider complaints about payments made in accordance with the now two-year-old schedule not reflecting the impact of inflation on fees for the dental services enumerated in the schedule should diminish.

Finally, the recognition that the fees in the schedule change over time which is evidenced by the proposed new rule will favorably impact insurers and providers, as it reflects the Department's commitment to implementing the legislative mandate in N.J.S.A. 39:6A-4(b)

Economic Impact

The proposed repeal and new rule increase the dental fee schedule ceiling in each category to adjust for inflation. Insurers will incur additional costs because they will pay higher fees for dental expenses incurred by New Jersey residents who are injured in automobile or bus accidents. Under the new schedule, health care providers providing dental services or equipment for which reimbursement is made under the medical benefit of the Personal Injury Protection (PIP) coverage and medical expense benefits by motor bus services will receive higher fees.

Federal Standards Analysis

A Federal standards analysis is not required because the dental fee schedule and rule are not subject to any Federal requirements or standards.

Jobs Impact

The Department does not anticipate the creation or loss of any jobs as a result of the proposed repeal and new rule. The Department invites commenters to submit any data or studies regarding the jobs impact of this proposed repeal and new rule together with any written comments on other aspects of the proposal.

Agriculture Industry Impact

The proposed repeal and new rule have no impact on the agriculture industry.

Regulatory Flexibility Analysis

The proposed repeal and new rule will apply to "small businesses" as that term is defined in the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq. These "small businesses" include insurers authorized to write private passenger automobile insurance and/or motor bus medical expense coverage. A few of these insurers in New Jersey qualify as "small businesses." The proposed repeal and new rule provide no different reporting, recordkeeping or other compliance requirements based on business size. The requirement for biennial inflation adjustments to the maximum reimbursement for treatment of injuries sustained in automobile accidents is established by statute. The Department does not believe that the proposed repeal and new rule impose any undue burden on insurers or that different compliance requirements are feasible. Therefore, for the reasons discussed above, and to continue to ensure consistency and uniformity, no differentiation in compliance requirements is provided based on business size.

Smart Growth Impact

The proposed repeal and new rule have no impact on the achievement of smart growth and implementation of the State Development and Redevelopment Plan.

Full text of the proposed repeal may be found in the New Jersey Administrative Code at N.J.A.C. 11:3-29, Appendix Exhibit 2.

Full text of the proposed new rule follows:

**SUBCHAPTER 29. MEDICAL FEE SCHEDULES: AUTOMOBILE INSURANCE
PERSONAL INJURY PROTECTION AND MOTOR BUS
MEDICAL EXPENSE INSURANCE COVERAGE**

APPENDIX

Exhibit 2

Dental Fee Schedule

<u>CDT-3</u>	<u>Description</u>	<u>Region 1</u>	<u>Region 2</u>	<u>Region 3</u>
D0120	PERIODIC ORAL EVAL	32	36	41
D0140	LTD ORAL EVAL-PROBLEM FOCUSED	53	61	68
D0150	COMP ORAL EVAL	55	63	71
D0210	INTRAORAL-COMPLT SERIES (INCL BITEWINGS)	90	101	102
D0220	INTRAORAL-PERIAPICAL FIRST FILM	17	19	19
D0230	INTRAORAL-PERIAPICAL EA ADD FILM	13	15	15
D0272	BITEWINGS-2 FILMS	30	32	33
D0321	OTH TMJ FILMS by report	157	168	179
D0330	PANORAMIC FILM	85	92	97
D0340	CEPHALOMETRIC FILM	105	114	120
D0460	PULP VITALITY TESTS	35	37	46
D0470	DIAGNOSTIC CASTS	74	79	97
D1110	PROPHYLAXIS-ADULT	68	75	84
D1510	SPACE MAINTAINER-FIX-UNILAT	237	296	301
D2110	AMALGAM-1 SURFACE PRIM	82	93	100
D2330	RESIN-BASED COMPOSITE-1 SURFACE ANT	108	116	128
D2331	RESIN-BASED COMPOSITE-2 SURFACES ANT	138	148	163
D2335	RESIN-BASED COMPOSITE-4/MORE SURF-INCISAL ANGLE	199	214	236
D2385	RESIN-BASED COMPOSITE-1 SURFACE POST-PERM	121	130	144
D2387	RESIN-BASED COMPOSITE-3 SURFACES POST-PERM	209	224	247
D2750	CROWN-PORCELAIN FUSED TO HI NOBLE METAL	822	946	994
D2752	CROWN-PORCELAIN FUSED TO NOBLE METAL	784	903	948
D2791	CROWN-FULL CAST PREDOMINANTLY BASE METAL	751	865	909
D2920	RECEMENT CROWN	79	84	99
D2950	CORE BUILDUP INCL ANY PINS	206	219	257
D2952	CAST POST & CORE IN ADD TO CROWN	314	335	392
D2954	PREFAB POST & CORE IN ADD TO CROWN	260	277	325
D2980	TEMPORARY CROWN (FX TOOTH)	184	196	230
D2970	CROWN REPAIR	188	216	215
D3310	ANT (EXCLD FINAL RESTORATION) (ROOT CANAL)	607	594	656
D3320	BICUSPID (EXCLD FINAL RESTORATION) (ROOT CANAL)	742	725	801
D3330	MOLAR (EXCLD FINAL RESTORATION) (ROOT CANAL)	958	937	1,034
D4260	OSSEOUS SURG (INCL FLAP ENTRY & CLOS)-PER QUAD	998	1,065	1,035
D4910	PERIODONTAL MAINT PROC (FOLLOWING ACTIVE THERAP)	127	129	129
D5110	COMPLT DENTURE-MAXIL	1,019	1,083	1,276
D5120	COMPLT DENTURE-MANDIB	1,019	1,083	1,276

D5211	MAXIL PART DENTURE-RESIN BASE(INCLD CLASP-RESTS)	860	914	1,077
D5214	MANDIB PART DENTURE-CAST METAL FRAME W/RES BASE	1,126	1,196	1,410
D5510	REPR BROKEN COMPLT DENTURE BASE	112	119	140
D5730	RELIN COMPLT MAXIL DENTURE (CHAIRSIDE)	233	248	292
D5751	RELIN COMPLT MANDIB DENTURE (LAB)	311	331	390
D6240	PONTIC-PORCELAIN FUSED TO HI NOBLE METAL	844	874	950
D6242	PONTIC-PORCELAIN FUSED TO NOBLE METAL	822	852	925
D6750	CROWN-PORCELAIN FUSED TO HI NOBLE METAL	963	998	1,084
D6752	CROWN-PORCELAIN FUSED TO NOBLE METAL	920	953	1,036
D7110	SINGLE TOOTH (EXTRACTION)	115	114	140
D7120	EA ADD TOOTH (EXTRACTION)	108	108	132
D7210	REMOV ERUPT TTH-W/MUCOPERIOSTL FLP-REMOV BNE/TTH	221	227	265
D7880	OCCLU ORTHOTIC DEVICE BR	633	650	758
D8210	REMOV APPLIANCE THERAP	589	630	674
D9110	PALLIATIVE (ER) TX DENTAL PAIN-MINOR PROC	78	77	91
D9210	LOCAL ANES NOT W/OPER/SURG PROC	24	24	28
D9220	GEN ANES-FIRST 30 MIN	315	309	368
D9221	GEN ANES-EA ADD 15 MINUTES	132	130	154
D9230	ANALGESIA-ANXIOLYSIS-INHAL NITROUS OXIDE	43	42	50
D9310	CONS (DIAG SERV BY NON TREATING PRACTICNER)	166	162	193
D9430	OFFIC VISIT FOR OBSRV (REG HRS)-NO OTH SERV)	56	55	65
D9610	THERAP DRUG INJECTION	65	72	84
D9940	OCCLU GUARD	423	485	484
D9950	OCCLU ANALY-MOUNTED CASE	220	215	256
D9951	OCCLU ADJUSTMENT-LTD	100	98	116
D9952	OCCLU ADJUSTMENT-COMPLT	561	550	655

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