



State of New Jersey

DEPARTMENT OF BANKING AND INSURANCE

OFFICE OF THE COMMISSIONER

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Commissioner

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Lt. Governor

BULLETIN NO. 21-06

TO: ALL INSURANCE COMPANIES, HEALTH SERVICE CORPORATIONS, HOSPITAL SERVICE CORPORATIONS, MEDICAL SERVICE CORPORATIONS, HEALTH MAINTENANCE ORGANIZATIONS, AND DENTAL PLAN ORGANIZATIONS AUTHORIZED TO ISSUE HEALTH BENEFITS OR DENTAL BENEFITS PLANS IN THIS STATE

FROM: MARLENE CARIDE, COMMISSIONER

RE: HEALTH INSURANCE AFFORDABILITY FUND ASSESSMENT COLLECTION PURSUANT TO N.J.S.A. 17B:27A-65 TO -67

This guidance is being provided pursuant to N.J.S.A. 17B:27A-65 to -67 (“the Act”), which requires certain entities to annually file with the Commissioner of Banking and Insurance (“Commissioner”) their net written premiums for the preceding year. The purpose of this Bulletin is to notify all affected entities that the first of such filings is required no later than April 1, 2021. This requirement will be satisfied by the filing of the required annual statement pursuant to N.J.S.A. 17:23-1, N.J.S.A. 17B:21-1, N.J.S.A. 17:48E-3(h), N.J.S.A. 17:48A-15, N.J.S.A. 26:2J-9, and N.J.S.A. 17:48D-13. The Department of Banking and Insurance (“Department”) will collect data from the applicable annual statement and will calculate and issue to the entity a certified assessment no later than April 15, 2021 and each April 15th annually thereafter. The amount calculated will be 2.5% of the entity’s net written premiums from the preceding calendar year.¹ The entity must pay the assessment as provided on the certified assessment issued by the Department to the State Treasurer no later than May 1, 2021 and by May 1 annually thereafter. Payment instructions will be included with the certified assessment.

As provided in the Act, entities subject to the assessment are any insurance company, health service corporation, hospital service corporation, medical service corporation, health maintenance organization, or dental plan organization authorized to issue health benefits or dental benefits plans in this State. Entities that are not subject to the assessment are dental service


¹ The annual assessment amount will be calculated in April of each year based on the premiums reported in the annual statement filed by the applicable entity. Since any applicable Medical Loss Ratio refunds or Risk Adjustment transfers will not be known at the time the assessment is calculated, no adjustment will be made at that time. However, subsequent annual assessments will be adjusted for Medical Loss Ratio refunds or Risk Adjustment transfers from the previous year, as applicable.

corporations or multiple employer welfare arrangements registered pursuant to the N.J.S.A. 17B:27C-1 to -12 as of July 31, 2020.

In addition, premiums subject to the assessment include premium from plans which pay or provide hospital and medical expense benefits for covered services, including a vision or dental plan. Premiums from the following plans, policies or contracts are excluded from the assessment: Medicaid, Medicare, Medicare Advantage, Medicare supplement, accident only, credit, disability, long-term care, TRICARE supplement coverage, coverage arising out of a workers' compensation or similar law, automobile medical payment insurance, personal injury protection insurance issued pursuant to P.L. 1972, c. 70 (N.J.S.A. 39:6A-1 to -35), small employer health benefits plans issued pursuant to P.L. 1992, c. 162 (N.J.S.A. 17B:27A-17 to - 67), and hospital confinement indemnity coverage.

If you have questions or do not receive a certified assessment by April 15, 2021 and are subject to assessment, please contact lifehealth@dobi.nj.gov.

03/18/2020
Date



Marlene Caride
Commissioner

AR Bulletin HIA Fund Assessment Collection/Bulletins