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Acting Commissioner

BULLETIN NO. 24-08

TO: ALL CARRIERS THAT ISSUE SMALL EMPLOYER HEALTH BENEFITS PLANS IN NEW JERSEY

FROM: JUSTIN ZIMMERMAN, ACTING COMMISSIONER

RE: RATE FILING AND SMALL BUSINESS HEALTH INSURANCE AFFORDABILITY ACT

On December 21, 2023, the New Jersey Legislature approved the Small Business Health Insurance Affordability Act (the "Act"), which, among other things, required that the Department of Banking and Insurance adopt regulations requiring that small employer health plans issued pursuant to N.J.S.A. 17B:27A-17 et. seq. do not impose additional copayments, coinsurance, or deductibles beyond those set forth in the 2010 Federal Patient Protection and Affordable Care Act, P.L. 111-148, as amended ("Affordable Care Act"). The purpose of this bulletin is to provide guidance to small employer market carriers with respect to N.J.S.A. 17B:27A:20.1 for the 2025 plan year.

Prior to the implementation of the Act, carriers offering small employer health benefit plans were required to comply with New Jersey's Minimum Standards requirements as it relates to coinsurance copayments and deductibles, which are set forth in N.J.A.C. 11:22-5.3 through N.J.A.C.11:22-5.5 and N.J.A.C.11:22-5.9. The Department is in the process of amending N.J.A.C. 11:22-5 to conform with the Act's mandate, and advises carriers to use the federal actuarial value calculator ("AV Calculator") beginning in plan year 2025 to determine the appropriate copayment, coinsurance or deductible imposed by small employer health benefit plans issued pursuant to N.J.S.A. 17B:27A-17 et. seq. Carriers must ensure that cost sharing designs comply with all applicable provisions of the Affordable Care Act.

Questions regarding this bulletin may be directed to lifehealth@dobi.nj.gov.

6/12/24
Date


Justin Zimmerman
Acting Commissioner

AR Rate Filing and Small Employer Affordability Act/Bulletins