

NEW JERSEY
SMALL EMPLOYER HEALTH BENEFITS PROGRAM

20 West State Street, 10th floor

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Trenton, NJ 08625

ADVISORY BULLETIN

96-SEH-03

To: **SEH Program Members**
From: **The Small Employer Health Benefits Program Board**
Re: **Standard HMO/POS Contract and Evidence of Coverage**
Date: April 4, 1996

At its March 20, 1996 meeting, the New Jersey Small Employer Health Benefits ("SEH") Program Board approved for adoption a standard Point of Service ("POS") contract and evidence of coverage for use by HMOs in the small employer market.

This HMO/POS contract may not be offered or issued by any carrier until (1) the rule adoptions containing the HMO/POS contract and evidence of coverage are published in the *New Jersey Register*, (2) the New Jersey Department of Health rule adoption describing the circumstances under which a HMO may offer benefits for health care services rendered by out-of-network providers¹ is published in the *New Jersey Register* and the carrier has complied with the requirements therein, and (3) the carrier files rates for the standard HMO/POS contract with the New Jersey Department of Insurance pursuant to N.J.A.C. 11:21-9.

It is anticipated that the SEH Board and Department of Health rule adoptions will appear in the April 15, 1996 *New Jersey Register*. If all three of the above-referenced adoptions do not appear in the April 15, 1996 *New Jersey Register*, then carriers must wait until publication of all three adoptions before offering the standard HMO/POS contract. Any carrier found to have offered or issued an HMO/POS contract prior to the publication of the adoptions listed above, or prior to filing rates for such a contract, will be subject to penalties provided under the law.

The SEH Board will make available computer disks containing the final versions of the HMO/POS contract and evidence of coverage. If you would like to receive a copy of the disk, please send a check for \$10 made payable to the "SEH Program" at the address above; please indicate that you are ordering the HMO/POS contract and evidence of coverage disk. The disk will be provided to all requesting parties as soon as it is available. Receipt of the computer disk of the HMO/POS contract and evidence of coverage by a carrier does not necessarily mean that the above-referenced rule adoptions have been published in the *New Jersey Register*.

¹ The Department of Health rule proposal appears in the December 18, 1995 *New Jersey Register* at 27 N.J.R. 4981.