Amendments to Out of Network Arbitration Process Become Law



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On July 29, 2022, Governor Phil Murphy signed into law Bill S1177 to amend certain aspects of the Out-of-network Consumer Protection, Transparency, Cost Containment and Accountability Act (the Act) relating to the arbitration process for claims involving health insurance carriers who are subject to the Act. Specifically, the amendments extend the amount of time that an insurance carrier and healthcare provider have to negotiate a settlement in the event of an inadvertent use of out-of-network services from 30 to 60 days, and extends the deadline for the carrier, provider, or covered person to initiate binding arbitration in the event of a failure to reach a settlement from within 30 days of the final offer to within 60 days of the final offer. The amendments also require an arbitrator to include detailed written findings with each arbitration decision. The detailed written findings are to be an analysis of the decision, including information concerning any databases, previous awards, or other documentation or arguments that contributed to the arbitrator's decision.

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