

**Aetna**  
**DMO® - Dental Maintenance Organization**  
**New Jersey Special Instructions**

**Important requirement when implementing DMO with NJ employees.**

- 1) **Must deliver copy of NJ laws and return completed Compliance Form**
- 2) **A signed Master Application is required.**

**NJ State Laws and Compliance Form:**

DMO coverage in NJ is only available when the employees also have choice of an alternate plan. As a result, the DMO can only be sold to NJ members as part of a Freedom of Choice, Dual Option or Dual Choice sale. To ensure Plan Sponsors are in compliance, NJ requires the attached state laws to be delivered to all plan sponsors electing DMO coverage. Aetna is also required to obtain and keep on file notice of receipt and compliance of the laws by the plan sponsor. Attached you will find the laws to be delivered to the plan sponsor and the Compliance Form which must be signed by the plan sponsor and returned with the Master Applications.

**Master Application:**

Only one Master Application is required to implement a DMO plan offered to NJ employees.

**AETNA DENTAL INC.  
NEW JERSEY - DENTAL PLAN ORGANIZATION LAWS  
NOTICE OF RECEIPT AND COMPLIANCE**

New Jersey law requires that certain plan sponsors contributing to dental plan organization (DMO) coverage also offer to covered persons the option of selecting alternative coverage which permits covered persons to obtain dental services from any licensed dentist.

State law also requires that Aetna Dental Inc. provide affected plan sponsors with copies of the applicable statutes/regulations and that those plan sponsors furnish to us written verification of their compliance with the law.

Per your signature below, you certify your organization's receipt of and compliance with New Jersey Statutes 17:48D-9.1 and 9.2 and New Jersey Administrative Code 11:10-2.1 through 2.6. requiring selection of alternate coverage.

Plan Sponsor: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

- Attachments:
- NJAC 11:10-2.1
  - NJAC 11:10-2.2
  - NJAC 11:10-2.3
  - NJAC 11:10-2.4
  - NJAC 11:10-2.5
  - NJAC 11:10-2.6
  - NJSA 17:48D-9.1
  - NJSA 17:48D-9.2

**AETNA DENTAL INC.**  
**NEW JERSEY - CODE AND STATUTES**

**New Jersey Administrative Code**

11:10-2.1 Purpose

P.L. 1983, Chapters 142 through 145, require that each employer or other organization subject thereto offer its employees or members the option of selecting alternate coverage which permits covered persons to obtain dental services from any dentist of their choice whenever the employer is contributing to a dental plan contract (as described in N.J.A.C. 11:10-2.2(a)). These statutes also direct the Commissioner to promulgate rules and regulations to effectuate their purposes. This subchapter is being promulgated to meet this statutory mandate and to implement the notification requirements of the statutes.

11:10-2.2 Scope and application

(a) This subchapter applies to each employer or other organization which:

1. Employs or has 25 or more employees or members during the full preceding calendar year; and
2. Contributes to a dental plan contract.

(b) Insurers, dental plan organizations, and dental service corporations which are authorized to enter into contracts providing dental coverage are also subject to this subchapter.

11:10-2.3 Definitions

The following words and terms, when used in this subchapter, have the following meanings unless the context clearly indicates otherwise:

"Alternative coverage" means a plan that permits covered persons to obtain dental services from any licensed dentist.

"Dental plan contract" means any contract issued by a health insurer, dental plan organization, or dental service corporation which restricts covered persons in selecting the providers of dental services to a single provider or a limited number of providers.

"Enrollment period" means a period of time, of not less than one month's duration, prior to the renewal of a dental plan contract during which employees (Publication page references are not available for this document.) or members are afforded the option to be covered under the dental plan contract or alternative coverage.

"Other organization" means a group of 25 or more members to which a dental plan contract has been or is to be issued including, but not limited to, labor unions and associations.

"Renewal" means to begin a new term of the contract or to add an amendment to the contract.

## **NEW JERSEY - CODE AND STATUTES (Continued)**

### NJAC 11:10-2.4 Notification of affected parties

(a) An insurer, dental plan organization and dental service corporation shall provide to each employer or other organization to which this subchapter applies a copy of N.J.S.A. 17:48D-9.1 and 9.2 (as appropriate) and this subchapter at the time of offering a dental plan contract as defined in this subchapter.

(b) Every employer and other organization subject to this subchapter, shall offer in writing to its employees or members and their eligible dependents the option of selecting coverage which permits dental services to be obtained from any licensed dentist as an alternative to the coverage provided under a dental plan contract. For new dental plan contracts being provided for the first time, this option shall be offered during the period for enrolling the employees or members in the new plan. For existing dental plan contracts, this option shall be offered during an enrollment period preceding the renewal date of the contract. Employers and other organizations which have offered this option to existing employees or members shall also offer this option to new employees or members at the time they are enrolled in a dental plan contract.

(c) Employers and other organizations to which this subchapter applies, shall post in a conspicuous manner, written notice of the coverage option and the text of P.L. 1983, Chapters 142- 145, whichever chapter is applicable.

### NJAC 11:10-2.5 General rules

(a) Each health insurer, dental service corporation, or dental plan organization shall, at the time a dental plan contract is offered or at the time of renewal, obtain written verification from each employer or other organization of compliance with P.L. 1983, c.142 through 145, and this subchapter.

(b) Each employer or other organization, at the time of offering or renewal of a dental plan contract shall furnish to the health insurer, dental service corporation, or dental plan organization written verification of compliance with P.L. 1983, c.142 through 145 and this subchapter.

(c) Each employer or other organization at the time of offering or renewal of a dental plan contract shall provide in the written notice required by N.J.A.C. 11:10-2.4(b) and

(c) an outline of the differences in coverages and cost to the employee or members and their eligible dependents between a dental plan contract and the alternative coverage.

(d) The alternative coverage may be provided through an insurance contract, on a self-funded basis, or by any means which meets the approval of the Commissioner.

(e) Each employer or other organization shall contribute to the alternative coverage an amount equal to the premium or cost which it pays or contributes to the dental plan contract. Such contribution shall be adjusted when the premium or cost which it pays or contributes to the dental plan changes.

## **NEW JERSEY - CODE AND STATUTES (Continued)**

### 11:10-2.6 Separability

If any provision of this subchapter, or its application to any person or circumstances, is held invalid, the remainder of this subchapter and its application to other persons or circumstances shall not be affected.

### **New Jersey Statutes**

#### 17:48D-9.1 Employer must offer alternative dental coverage

Each employer or other organization which employs or has 25 or more employees or members during the full preceding calendar year and which contributes to a dental plan organization contract which restricts the covered persons in selecting the providers of dental services to a single provider or limited number of providers, shall also offer its employees and their eligible dependents and members and members' eligible dependents at the time a dental benefits plan is offered or renewed the option of selecting alternative coverage which permits covered persons to obtain dental services from any licensed dentist.

#### 17:48D-9.2 Employer contributions

An employer or other organization shall be required to pay for or contribute towards the provision of alternative coverage an amount equal to the premium or cost which it pays or contributes to the dental plan organization contract which limits the number of providers of dental services.