

# New Jersey Property-Liability Insurance Guaranty Association

Statutory Administrator For

New Jersey Surplus Lines Insurance Guaranty Fund  
New Jersey Medical Malpractice Reinsurance Association  
Unsatisfied Claim and Judgment Fund  
New Jersey Automobile Full Insurance Underwriting Association  
Market Transition Facility of New Jersey

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## NJPLIGA BULLETIN 2004 – 005

**TO:** New Jersey Property-Liability Insurance Guaranty Association  
Member Companies

**FROM:** Joseph DellaFera, Executive Director

**SUBJECT:** Streamlined Audit Requirements for Excess Medical Benefits Claims  
Submissions

**DATE:** December 17, 2004

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Pursuant to N.J.A.C. 11:3-28.10(a) and (b) and in connection with a request for reimbursement of excess medical benefits ("EMBs") from the New Jersey Property-Liability Insurance Guaranty Association ("NJPLIGA"), insurers are currently obligated to audit the invoices of health care facilities that are equal to or in excess of \$25,000, as well as the invoices of providers that are equal to or in excess of \$10,000. NJPLIGA has reviewed the statutes and regulations governing the administration of the UCJF and, in order to increase efficiency, has concluded that, retroactive to November 1, the following change in procedure is warranted.

The new audit requirement will be "triggered" by the amount of the reimbursement request and **not** the original invoice amount. Accordingly, the following shall apply to EMB reimbursement requests from insurers:

**Health Care Facility:** provided the EMB reimbursement request is below \$25,000 an on-site audit is not required regardless of the original amount of the invoice.

**Medical Provider:** provided the EMB reimbursement request is below \$10,000 an audit is not required regardless of the original amount of the invoice.