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NJSSA Lobby Report

September 24, 2025

Legislative Update

The Legislature is currently on a break following the passage of the Fiscal Year 2026 budget at the end of June. The budget met the state's constitutional deadline and was signed by the Governor late in the evening of June 30th. Given that the Governor and Assembly are all up for election, we do not expect that the Legislature will meet regularly again until mid-November after the elections are over. The Legislature will then enter the lame duck session, which will run through mid-January, when the current legislative session will end, a new Governor will take office, and a new two-year session will begin immediately after.

Regulatory Update: DOBI PIP Medical Fee Schedules - Advance Notice of Rulemaking

In early August, the New Jersey Department of Banking and Insurance (DOBI) issued an advance notice of proposed rulemaking to update the Personal Injury Protection (PIP) Medical Fee Schedules under N.J.A.C. 11:3-29. They maintain that the current schedules, last revised in 2013, no longer reflect current medical coding, payment data, and care delivery trends. DOBI proposed to repeal and replace the existing seven appendices with new fee schedules that use the 75th percentile of FAIR Health in-network allowed data (FAIR Health p75) as the primary benchmark. Where data is insufficient, updated Medicare-based calculations will be applied. The proposal also expands the list of procedures that can be reimbursed when performed in Ambulatory Surgical Centers (ASCs), adds over 5,000 new CPT/HCPCS codes, and removes outdated ones. These changes are aimed at streamlining billing, reducing disputes, and aligning reimbursement with prevailing market rates.

Key Recommended Changes

- Fee Methodology: Adoption of FAIR Health p75 for most reimbursement calculations.
- ASC Coverage: Expansion of reimbursable ASC procedures to match Medicare's updated safety standards without waiting for future regulatory changes.
- Code Revisions: Removal of obsolete codes and inclusion of thousands of new CPT, CDT, and HCPCS codes relevant to accident care.
- Daily Maximum: Increase of the daily maximum allowable fee to \$145, enabling greater flexibility for multiple-service visits.
- Technical Updates: Revised definitions, updated modifiers, and clearer formatting to make the schedules easier to use.

Please note this was an advance notice rather than a formal proposal. DOBI was seeking early input from stakeholders before publishing the proposed rule in the New Jersey Register. Once the formal proposal is issued, there will be an additional public comment period before final adoption.

In response, NJSSA, along with a coalition of other healthcare providers, sent a letter to DOBI detailing several of the potential concerns with the rule proposal, specifically the following

- **Methodology:** The reliance on Fair Health and CMS rates for generating the fee schedules, as described in the Advance Notice, is insufficient and not in line with the statutory mandates.
- **Economic Impact.** The economic impact analysis is insufficient given that many highly utilized codes have dropped in reimbursement, which would have a significant impact on providers and, in turn, marketplace conduct, limiting patient access to care. Further, this impact would likely affect smaller providers, violating the statute's intent for equitable reimbursement.
- **Access to Care Issues.** The statute aims to ensure affordable care without restricting access. Here, where many of the fees are set arbitrarily low (e.g., based on Medicare gap-fills), providers may opt out of PIP networks, reducing patient options. As a result, this would likely create delayed care for accident victims and increase overall costs—contrary to PIP's goal of prompt payment.
- **Administrative Burden.** Adding codes is positive, but frequent updates without stable methodologies could increase compliance costs for providers, leading to errors and audits.
- **Broader Policy Issues:** Artificially low proposed fees to providers and facilities will create tensions between insurers and providers, as seen in prior PIP reforms, potentially leading to litigation or legislative pushback.

We are closely monitoring this issue and will provide any updates.

COVID-19 Executive Order Recap:

COVID-19 Executive Order Recap for CRNAs: During COVID-19, the NJ Department of Health issued an emergency order allowing CRNAs to practice without supervision. However, that health emergency order has now expired, which means CRNAs are again subject to supervision requirements under New Jersey law.

COVID-19 Executive Order Recap for APNs: Governor Murphy's Executive Order 112 (April 1, 2020) relaxed the scope of practice rules during the public health emergency. Under this Executive Order, APNs can continue to practice independently without the prior collaborating physician agreement requirements. This Executive Order remains in effect for APNs, even though the separate CRNA-specific DOH order has expired.

Ambulatory Care Facility Assessment Changes Signed into Law: On June 30, 2025, as part of the Fiscal Year 2026 budget, Governor Phil Murphy signed into law the "Healthcare Finance Enhancement Act," which brought significant changes to the assessment of ambulatory care facilities

(ACFs). Prior to the new law, ACFs were required to pay a 2.95% assessment on gross receipts over \$300,000, with a cap on the assessment of \$350,000. Under the new law, beginning July 1, 2025, the assessment was reduced to 2.5% of gross receipts, while both the floor of \$300,000 and the cap of \$350,000 were removed. Further, while certain facilities, such as one (1) room surgical practices, were previously exempt from the assessment, these facilities will now be subject to the same assessment.

Louisa Carman Medical Debt Relief Act Requirements: The Louisa Carman Medical Debt Relief Act prohibits medical creditors and debt collectors from reporting medical debt to consumer reporting agencies for healthcare services provided on or after July 22, 2024. A medical creditor includes any healthcare provider, such as a physician, ambulatory surgery center, or hospital, to whom a patient owes a medical debt. Any attempt to collect medical debt must include a notice stating that it has not been reported to a consumer reporting agency and that any reported medical debt will be void.

Beginning July 22, 2025, the law further prohibited medical creditors and medical debt collectors from:

- (i) charging an interest rate on medical debt of more than 3% per year;
- (ii) garnishing the wages of a patient with an annual income less than 600% of the federal poverty level;
- (iii) beginning collection actions until after an additional medical bill and notice of the collection action is sent to the patient at least 30 days before initiating a collection action; and
- (iv) beginning collection actions until 120 days after the first medical bill for medical debt was sent, and the patient has been offered a “reasonable payment plan” as defined in the law.

New Jersey Department of Labor Rule Proposal to Implement the Pay and Benefits Transparency Law

The New Jersey pay and benefits transparency law went into effect on June 1, 2025. In September 2025, the Department of Labor proposed administrative regulations to implement the new law. Under the law, workers in New Jersey have the right to know the pay, benefits, and other compensation programs that an employer is offering *before* applying for a new job or transfer opportunity. The **New Jersey pay and benefits transparency law** requires employers to provide this information in postings for these types of opportunities. The Pay Transparency law also requires that employers make reasonable efforts to make current employees aware of promotional opportunities. The law covers job postings in any format, including job search websites, print advertisements, company newsletters, emails, social media, and more.

Under the law, covered employers are any person, company, corporation, firm, labor organization, or association that:

- Has 10 or more employees over 20 or more calendar weeks; *and*
- Does business, employs persons, or takes applications for employment within New Jersey.

Public employers, including the State, counties, and local government bodies, are covered under the Pay Transparency law.

Written comments on the proposal are due by November 14th, 2025. The full proposal is available [here](#).

Election Update

With less than 50 remaining days until New Jersey's Gubernatorial election, Mikie Sherrill (D) and Jack Ciattarelli (R) are set to battle it out down to the final days as polling leads continue to shrink. Public polling so far has consistently shown Sherrill with a 6–10-point lead. However, an internal poll conducted by Ciattarelli's campaign and released last week shows the Republican narrowly leading Sherrill 46%–45%. This is the first set of polling numbers to put Ciattarelli in the lead. Internal polls, though, come with caveats; campaigns typically release polling data and memorandums strategically to help their narrative. Even so, these results underscore just how competitive this race has become as both candidates head into the final stretch.

There are also several external factors, primarily emanating from the federal level under Donald Trump, that both parties hope will either benefit their campaign or harm their opponents. Democrats are hoping that the negative approval ratings of President Donald Trump could fuel a blue wave, as seen back in 2018. Meanwhile, Republicans are aiming to build off Trump's inroads with New Jersey voters, which shifted some 10 points to the right from 2020 to 2024.

With only two Gubernatorial races this year, New Jersey and Virginia, there will be a lot of focus on this contest, including more money, media coverage, and national party involvement that could ultimately tip the balance in the closing weeks.

Meanwhile, the State Senate is not on the ballot this year, concentrating voter attention on the gubernatorial and Assembly races. Down-ballot, the Assembly features several contests, with the Democratic Legislative Campaign Committee spotlighting candidates such as Dave Bailey Jr. and Heather Simmons (LD-3), Dan Hutchison and Cody Miller (LD-4), Andrea Katz and Anthony Angelozzi (LD-8), Margie Donlon and Luanne Peterpaul (LD-11), Roy Freiman and Michelle Drulis (LD-16), and Lisa Swain and Chris Tully (LD-38).