



May 14, 2007

NJ READOPTS CLAIMS OMBUDSMAN REGULATION

BACKGROUND

In October 2006, we informed you that the New Jersey Department of Banking and Insurance had issued a proposal to readopt the Claims Ombudsman regulation with amendments. The regulation is N.J.A.C. 11:25.

The NJ DOBI has now readopted the regulation as amended.

CHANGES

The substantive changes are as follows:

- In paragraph 1.2, the definition of “disputed insurance claim” is amended to include a claim denial.
- In paragraph 1.3(b) 5, the seven days for complaint rebuttal is being increased to 15 business days. The 15 day period mentioned in paragraph 1.3(b) 3 is being clarified to 15 business days.
- In paragraph 2.3(a) 2, the record retention requirement for internal appeals is being reduced from five to three years.
- In paragraph 2.5(a), insurers will be required to provide claimants, as well as policyholders, with a written explanation of the insurer’s internal appeal system and include telephone and fax numbers and e-mail (if used) and business addresses to which internal appeals may be submitted.

AVAILABILITY

The adoption notice may be accessed on the Department’s website at <http://www.state.nj.us/dobi/proposed/re070413.pdf>.

QUESTIONS

Contact Jan Kozlowski at (800) 935-6900.