

**NEW JERSEY OUT-OF-NETWORK CONSUMER PROTECTION,  
TRANSPARENCY, COST CONTAINMENT AND ACCOUNTABILITY ACT (THE “ACT”)**

**DISCLOSURES TO COVERED PERSONS REGARDING OUT-OF-NETWORK TREATMENT  
(EFFECTIVE AUGUST 30, 2018 AND APPLICABLE ONLY TO THE EXTENT AS MANDATED  
BY APPLICABLE NEW JERSEY LAW, REGULATION AND/OR GUIDANCE)**

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**NOTE: THIS NOTICE AND THESE DISCLOSURES ARE INTENDED ONLY FOR INSUREDS COVERED AND ELIGIBLE FOR BENEFITS UNDER A NIPPON LIFE INSURANCE COMPANY OF AMERICA FULLY-INSURED HEALTH BENEFITS PLAN, AS DEFINED BY THE ACT, THAT IS DELIVERED OR ISSUED FOR DELIVERY IN NEW JERSEY.**

**NOTHING HEREIN IS A GUARANTEE OF BENEFITS OR ELIGIBILITY. ALL TERMS, PROVISIONS, CONDITIONS, LIMITATIONS AND EXCLUSIONS SHOWN IN YOUR NIPPON LIFE INSURANCE COMPANY OF AMERICA CERTIFICATE BOOKLET AND MASTER POLICY WILL GOVERN.**

**Disclaimers:**

- This summary provides only an overview of how a covered person’s health benefit plan, as defined by the Act, covers out-of- network treatment. It is only guidance to help a covered person understand their out-of-network benefits. It does not alter coverage in any way. The covered person should refer to their group policy and certificate booklet or summary of benefits and coverage for more information about out-of-network benefits and about coverages and costs for in-network treatment. For additional information, including whether a health care professional or facility is in-network or out-of-network, examples of out-of-network costs and estimates for specific services, please contact Nippon Life Insurance Company of America at 1-800-374-1835 or visit us at <http://www.nipponlifebenefits.com/>.
- Any estimates or examples provided for out-of-network costs do not take into account the amounts that the covered person may have already paid for cost-sharing that accumulate toward the maximum out-of-pocket costs (“MOOP”).
- Out-of-network arbitration is only mandatory with respect to services provided by a provider that is licensed or certified in New Jersey.
- Nothing herein is a guarantee of benefits or eligibility. All terms, provisions, conditions, limitations and exclusions shown in your Nippon Life Insurance Company of America certificate booklet and master policy will govern.
- **THIS INFORMATION IS NOT INTENDED TO OFFER LEGAL, BENEFITS, MEDICAL OR ANY OTHER PROFESSIONAL ADVICE.**

## Coverage of Medically Necessary Treatment on an Emergency or Urgent Basis by Out-Of-Network Health Care Professionals/Facilities

### *What this Means:*

- **Emergency** - You are covered for out-of-network treatment for a medical condition manifesting itself by acute symptoms of sufficient severity including, but not limited to, severe pain, psychiatric disturbances and/or symptoms of Substance Use Disorder such that a prudent layperson, who possesses an average knowledge of health and medicine, could expect the absence of immediate medical attention to result in: placing the health of the individual or unborn child in serious jeopardy; serious impairment to bodily functions; or serious dysfunction of a bodily organ or part. This includes any further medical examination and such treatment as may be required to stabilize the medical condition. This also includes if there is inadequate time to effect a safe transfer of a pregnant woman to another hospital before delivery or such transfer may pose a threat to the health or safety of the woman or unborn child.
- **Urgent** - You are covered for out-of-network treatment of a non-life-threatening condition that requires care by a health care professional within 24 hours.

### *Protections under NJ Law:*

- Except as discussed below, you should not be billed by an out-of-network health care professional or facility for any amount in excess of any deductible, copayment, or coinsurance amounts (also known as "cost-sharing") applicable to the same services when received in-network. If you receive a bill for any other amount, **Nippon Life Insurance Company of America** should be contacted at 1-800-374-1835, and/or file a complaint with the Department of Banking and Insurance: [www.state.nj.us/dobi/consumer.htm](http://www.state.nj.us/dobi/consumer.htm)
- **Nippon Life Insurance Company of America** and the out-of-network health care professional/facility may negotiate and settle on an amount that is ultimately paid for the emergent/urgent medical services. If that negotiated amount exceeds what was indicated on the initial Explanation of Benefits, your out-of-pocket cost-sharing may increase above the amount indicated on the initial Explanation of Benefits. Your total final costs will be provided on the Final Explanation of Benefits if settled.
- If an agreement cannot be reached, **Nippon Life Insurance Company of America** or the out-of-network health care professional/facility may seek to enter into binding arbitration to determine the amount to be paid for the medical services. The amount awarded by the arbitrator may exceed what **Nippon Life Insurance Company of America** has already paid to the out-of-network health care professional/facility; however, any additional amount paid by **Nippon Life Insurance Company of America** pursuant to the arbitration award will not increase your cost-sharing above the amount indicated as your responsibility on the Pre-Arbitration Explanation of Benefits associated with the last payment made to the health care professional/facility before any arbitration. If arbitration is conducted, you will also receive a Final Explanation of Benefits that will show the total allowed charge for the service(s).

## Coverage of Inadvertent Out-Of-Network Services

### *What this means:*

- You are covered for treatment by an out-of-network health care professional for covered services when you use an in-network health care facility (e.g. hospital, ambulatory surgery center, etc.) and, for any reason, in-network health care services are unavailable or provided by an out-of-network health care professional in that in-network facility. This includes laboratory testing ordered by an in-network health care professional and performed by an out-of-network bio-analytical laboratory (e.g., imaging, x-rays, blood tests, and anesthesia).

### *Protections under NJ Law:*

- Except as provided below, you should not be billed by an out-of-network health care professional or facility, for any amount in excess of any deductible, copayment, or coinsurance amounts (also known as "cost-sharing") applicable to the same services when received in-network. If you receive a bill for any other amount, please contact us at the number above, and/or file a complaint with the Department of Banking and Insurance: [www.state.nj.us/dobi/consumer.htm](http://www.state.nj.us/dobi/consumer.htm)
- **Nippon Life Insurance Company of America** and the out-of-network health care professional/facility may negotiate and settle on an amount that is ultimately paid for the inadvertent out-of-network services. If that negotiated amount exceeds what was indicated on the initial Explanation of Benefits, your out-of-pocket cost-sharing may increase above the amount indicated on the initial Explanation of Benefits. Your total final costs will be provided on the Final Explanation of Benefits if settled.
- If an agreement cannot be reached, **Nippon Life Insurance Company of America** or the out-of-network health care professional/facility may seek to enter into binding arbitration to determine the amount to be paid for the inadvertent out-of-network services. The amount awarded by the arbitrator may exceed what **Nippon Life Insurance Company of America** has already paid to an out-of-network health care professional/facility; however, any additional amount paid by **Nippon Life Insurance Company of America** pursuant to the arbitration award will not increase your cost-sharing above the amount indicated as your responsibility on the Pre-Arbitration Explanation of Benefits associated with the last payment made to the health care professional/facility before any arbitration. If arbitration is conducted, you will also receive a Final Explanation of Benefits that will show the total allowed charge for the service(s).

## Coverage of Treatment from Out-Of-Network Health Care Professionals/Facilities if In-Network Health Care Professionals/Facilities are Unavailable

### *What this means:*

- Plans are required to have adequate networks to provide you with access to professionals/facilities within certain time/distance requirements so you can obtain medically necessary treatment of all illnesses or injuries covered by your plan.

### *Protections under NJ Law:*

- You can request treatment from an out-of-network health care professional/facility when an in-network health care professional/facility is unavailable through an appeal, often called a request for an "in-plan exception." Please see the Department of Banking and Insurance's guide at: <https://nj.gov/dobi/appeal/>

## Voluntary Out-of-Network Coverage

### *What this means:*

- You are covered for treatment by an out-of-network health care professional/facility when you knowingly, voluntarily and specifically select an out-of-network health care professional/facility, even if you have the opportunity to be serviced by an in-network health care professional/facility. We will cover voluntary out-of-network services as described in your applicable Nippon Life Insurance Company of America certificate booklet and master policy. Cost sharing will be based on the applicable plan provisions subject to deductible, coinsurance and charges over the prevailing fee allowed amounts.
- Please be advised that the ALLOWED CHARGE (discussed above) is not the same as the amount billed by your Out-of-Network Health Care Professional/Facility, and is usually less. WE CALCULATE THE ALLOWED CHARGE AS FOLLOWS: The allowed amounts are subject to the plan provision prevailing fee schedule. These allowed amounts are derived from the average billed amounts in a certain geographic area for same or similar services.

Please note that the following out-of-network reimbursement methodologies are for informational purposes only, and may differ from the out-of-network reimbursement methodology of your particular plan. All terms, provisions, conditions, limitations and exclusions shown in your Nippon Life Insurance Company of America certificate booklet and master policy will govern. Generally, and subject to your actual plan provisions, your eligibility, the actual services provided to you, whether the services are covered by your plan, whether the services are medically necessary, the procedure codes submitted by your provider, whether other providers render services to you, the location of the services, your cost-sharing requirements, or other variables that may impact the cost of services, Nippon Life Insurance Company of America typically reimburses *covered* out-of-network medical benefits by using one of the below methodologies, which may vary based on your actual plan provisions:

(1) Nippon Life Insurance Company of America considers a *covered* out-of-network charge (the allowed amount) to be a percentage of the usual and customary allowance (U&C), per plan provisions. The allowed amount is then subject to the cost-sharing provisions of the insured's plan. The U&C fee is defined as the charge for health care services that is consistent with the average rate or charge for identical or similar services in a certain geographical area. To determine the U&C rate, Nippon Life Insurance Company of America utilizes Fair Health reimbursement services to help determine the average cost for a certain procedure. Fair Health collects charge data from private insurance and health plan administrators across the country. The amounts collected are the non-network fees that are charged by providers. New charge data is continuously updated and contains billions of services and procedures to ensure a fair and reasonable reimbursement rate. Nippon Life Insurance Company of America updates the claim system quarterly with this new data ensuring insured's and providers receive the most current reimbursement rates;

Or

(2) Nippon Life Insurance Company of America considers as a *covered* out-of-network charge (the allowed amount) a percentage of the Medicare published rate, established by the federal government, for the same or similar service. The covered charge is typically 125% or 150% of the Medicare allowed amount, depending on your actual plan provisions and benefits. The allowed amount is then subject to the cost-sharing provisions of the insured's plan.

**All terms, provisions, conditions, limitations and exclusions shown in your Nippon Life Insurance Company of America certificate booklet and master policy will govern.**

- You will be RESPONSIBLE FOR PAYMENT OF: a) Your cost-sharing portion of the allowed charge as disclosed above; PLUS, b) the difference between our allowed charge and the amount the out-of-network health care professional/facility bills for the services (commonly referred to as the "balance bill"). **All terms, provisions, conditions, limitations and exclusions shown in your Nippon Life Insurance Company of America certificate booklet and master policy will govern.**

***Protections under NJ Law:***

- Carriers must provide ready access to information about how to determine when a health care professional/facility is in-network. Please contact us at 1-800-374-1835 if you have any questions about the status of a particular professional/facility. Additionally, health care professionals/facilities must disclose to you, in writing or on a website, the plans in which they participate as in-network providers. Note, indications that a professional/facility "accepts" a certain health plan does not necessarily indicate in-network status. So, when seeking treatment, you can check with both us and your prospective health care professional/facility.

Carriers must provide a method to enable you to be able to calculate an estimate of out-of-network costs when voluntarily seeking to use an out-of-network health care professional/facility. YOU CAN CONTACT US VIA THE METHODS ABOVE TO OBTAIN MORE INFORMATION REGARDING THE ALLOWED CHARGES FOR SPECIFIC SERVICES IF YOU CAN PROVIDE A CURRENT PROCEDURAL TERMINOLOGY (CPT) CODE. If you do not have a CPT code, you can estimate your costs by: visiting \*[www.fairhealthconsumer.org](http://www.fairhealthconsumer.org) to determine the usual and customary cost for these services in your geographic area or zip code, and comparing it to our allowed amount and estimated payment. You may contact us at 1-800-374-1835 to request allowed amounts associated with a specific service, the portion of the allowed amount your specific plan will reimburse and the portion of the allowed amount that you (the covered person) will pay. Please note, that you will be required to pay the difference between the allowed amount, as defined by your specific plan, and the charges billed by an out-of-network provider.

*\* Please note that this link ([www.fairhealthconsumer.org](http://www.fairhealthconsumer.org)) is being provided for informational purposes only, and does not constitute an endorsement or approval by Nippon Life Insurance Company of America as to any of the opinions of FAIR Health, Inc. Nippon Life Insurance Company of America bears no responsibility for the accuracy, legality or content of this external site or for that of any subsequent links.*

*Please note that these payment amounts and charges are only an estimate based on the information submitted and not a guaranteed amount. Your actual out-of-pocket costs may differ based on a number of factors, including, for example, your eligibility, the actual services provided to you,*

*whether the services are covered by your plan, whether the services are medically necessary, the procedure codes submitted by your provider, whether other providers render services to you, the location of the services, your cost-sharing requirements, or other variables that may impact the cost of services. Also, even though your provider may bill separately for multiple procedure codes, we may determine that there is a single code that should have been billed for all of the procedures and we will pay for only that code. At all times, all terms, provisions, conditions, limitations and exclusions shown in your certificate-booklet and master policy will apply and govern.*

- You can also visit our website above for examples of the average costs (allowed charge, billed amount, consumer responsibility with cost-sharing under plan) for ten more frequently billed out-of-network services.

*Please note that any out-of-pocket amounts or reimbursement methodologies shown are only an estimate and not a guaranteed amount. Your actual out-of-pocket costs may differ based on a number of factors, including, for example, your actual plan provisions and benefits, your eligibility, the actual services provided to you, whether the services are covered by your plan, whether the services are medically necessary, the procedure codes submitted by your provider, whether other providers render services to you, the location of the services, your cost-sharing requirements, or other variables that may impact the cost of services. Also, even though your provider may bill separately for multiple procedure codes, we may determine that there is a single code that should have been billed for all of the procedures, and we will pay for only that code. **Nothing herein is a guarantee of benefits or eligibility. All terms, provisions, conditions, limitations and exclusions shown in your Nippon Life Insurance Company of America certificate booklet and master policy will govern.***

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