

## Third Party Administrator Licensing and Compliance Professionals:



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## New Jersey TPA Reporting Requirements in 2019

The New Jersey Division of Insurance (“Division”) recently issued a letter to third party administrators (“TPAs”) making them aware of additional or revised filing requirements for TPAs doing business in New Jersey. The additional or revised filing requirements in New Jersey are as follows:

- Unaudited Financial Statements previously due by March 1<sup>st</sup> are no longer required.
- While Annual Questionnaires, Annual Reports and audited Financial Statements continue to be due on May 31<sup>st</sup>, the Division’s letter states, **“Any company looking to file an extension must formally submit a written request to Mr. Tim Stroud by May 15, 2019. Any request for an extension submitted after May 15, 2019 will be denied. The request for an extension should state how long of an extension is requested and why an extension is requested.”**
- The Annual Questionnaire must now include an organizational chart which identifies the corporate structure (parent company, affiliates or subsidiaries of the TPA).
- The Division’s letter states that TPAs must submit updated contact information to Mr. Stroud no later than May 31, 2019, which must be attached to the TPAs annual filing.
- The Division’s letter also states, **“This letter is reasonable notice that any TPA that files late will be fined on a per day basis.”** Pursuant to N.J.A.C. 11:23-4.3, the Division may impose enforcement remedies against a TPA for the late filing of annual reports. Such enforcement remedies include the assessment of a penalty in an amount not less than \$250 or more than \$5,000 for each day that a TPA is in violation of N.J.A.C. 11:23-4.3. Additionally, a penalty imposed pursuant to N.J.A.C. 11:23-4.3 may be in lieu of, or in addition to, suspension or revocation of a license.

## Polsinelli's TPA Team

Polsinelli's TPA team provides TPA licensing services, TPA regulatory and compliance services, drafting and negotiating of administrative services agreements, and a number of other TPA services. Our TPA team includes attorneys who were former in-house counsel for TPAs, as well as attorneys who were formerly insurance regulators.

By leveraging its extensive experience representing TPAs, our TPA team helps clients avoid the learning curve and related cost implications that can be experienced by working with companies or attorneys less familiar with the regulatory and compliance needs of TPAs.

For questions regarding this information, please contact one of the authors, a member of Polsinelli's Third Party Administrators practice, or your Polsinelli attorney.

### Third Party Administrator Licensing and Compliance Services

Polsinelli's Third Party Administrator Team has significant experience representing third party administrators (TPAs) on a national basis regarding a variety of business and compliance issues. The group includes attorneys who were formerly in-house counsel for TPAs, as well as attorneys who were formerly insurance regulators and members of the Federation of Regulatory Counsel.

Our experience in the third party administrator industry is demonstrated by these representative examples:

- National and multi-state TPA licensing projects.
- Advise clients regarding business, regulatory and compliance matters associated with mergers, acquisitions and divestitures involving entities licensed as a TPA.
- Assistance with investigations, market conduct examinations and formal regulatory actions brought by state insurance departments.
- Negotiate and draft Administrative Services Agreements and subcontracts, including assistance with statutorily-mandated provisions and best practice business provisions.
- Assistance in developing a TPA Regulatory Addendum designed to comply with the statutorily-mandated provisions applicable under the TPA laws on a national basis.
- Monitor regulatory and legislative activity affecting our TPA clients and provided periodic reports regarding such activity.
- Maintaining licensure as a TPA, PBM, Adjuster, Insurance Producer, or Service Company through periodic renewal and annual report filings.
- Assistance with ancillary state filing and registration requirements such as All-Payer Claims Databases and Vaccination Assessments.

To learn more about our **Third Party Administrator (TPA) Licensing and Compliance Services** practice, or to contact a member of our Third Party Administrator (TPA) Licensing and Compliance Services team, visit our website at [www.polsinelli.com/industries/third-party-administrators](http://www.polsinelli.com/industries/third-party-administrators)

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### About Polsinelli

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Polsinelli is an Am Law 100 firm with more than 825 attorneys in 21 cities coast to coast. Ranked #30 for Client Service Excellence<sup>1</sup> and #10 for best client relationships<sup>2</sup> among 650 U.S. law firms, Polsinelli is also named among the top 30 best-known firms in the nation<sup>3</sup> for the second consecutive year. The firm's attorneys provide value through practical legal counsel infused with business insight, and focus on health care, financial services, real estate, intellectual property, mid-market corporate, labor and employment, and business litigation.

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<sup>1</sup>2019 BTI Client Service A-Team Report

<sup>2</sup>2017 BTI Industry Power Rankings

<sup>3</sup>2018 BTI Brand Elite

