

# STATE OF NEW YORK

2681

2023-2024 Regular Sessions

## IN SENATE

January 24, 2023

Introduced by Sen. BRESLIN -- read twice and ordered printed, and when printed to be committed to the Committee on Insurance

AN ACT to amend the insurance law, in relation to deductibles offered by group self-insurers

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. The opening paragraph of section 3443 of the insurance law,  
2 as added by chapter 924 of the laws of 1990, is amended to read as  
3 follows:

4 (1) An insurer issuing a workers' compensation and employers' liability  
5 insurance policy, and a group self-insurer for municipal corporations  
6 ~~as defined in~~ established pursuant to subdivision three-a of  
7 section fifty of the workers' compensation law, may offer, as part of  
8 the policy or by endorsement, deductibles optional to the policyholder  
9 for benefits payable under the policy, subject to approval by the superintendent  
10 and subject to underwriting by the insurer, consistent with  
11 the following standards or factors:

12 § 2. Subsections (a) through (g) of section 3443 of the insurance law  
13 are redesignated paragraphs (a) through (g) of subsection 1 of such  
14 section and a new subsection 2 is added to read as follows:

15 (2) A policy issued by a group self-insurer for municipal corporations  
16 under this section may be offered to municipal corporations as defined  
17 in subdivision three-a of section fifty of the workers' compensation  
18 law, public corporations as defined in subdivision one of section  
19 sixty-six of the general construction law, county self-insurance plans  
20 established under article five of the workers' compensation law, boards  
21 of cooperative educational services and consortia established by boards  
22 of cooperative educational services, consistent with the following:

23 (a) the policy must be consistent with the standards and factors set  
24 forth in subsection one of this section;

EXPLANATION--Matter in italics (underscored) is new; matter in brackets  
[-] is old law to be omitted.

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1 (b) the group self-insurer must be "fully funded", as defined in  
2 subparagraph (b) of paragraph two of subdivision three-a of section  
3 fifty of the workers' compensation law;

4 (c) no proof of financial ability or deposit of securities or cash  
5 need be made by the group self-insurer or the covered entity;

6 (d) the maximum new contribution allowed for a deductible program  
7 offered by the group self-insurer may not exceed ten percent of the  
8 group self-insurer's total contributions for the prior year;

9 (e) no more than ten new deductible members may be added in any one  
10 contribution year; and

11 (f) if the group self-insurer ceases to be fully funded, the group  
12 self-insurer may not permit any new member to elect the deductible  
13 option until the group self-insurer becomes fully funded.

14 § 3. This act shall take effect immediately.