STATE OF NEW YORK

11714

IN ASSEMBLY

September 16, 2026

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Bronson) -- read once and referred to the Committee on Labor

AN ACT to amend the workers' compensation law, in relation to imposing higher percentage of interest and other civil penalties on certain employers or their workers' compensation insurance carriers for non-payment of a bill for medical care or supplies

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

Section 1. Subdivision 1 of section 13-g of the workers' compensation law, as amended by section 3 of part CC of chapter 55 of the laws of 2019, is amended to read as follows:

(1) **(a)** Within forty-five days after a bill for medical care or supplies delivered pursuant to section thirteen of this article has been rendered to the employer **or such employer's worker's compensation insurance carrier, or to the self-insured employer responsible for payment of medical benefits under this chapter**, such employer **or its worker's compensation insurance carrier, or such self-insured employer responsible for payment of medical benefits under this chapter,** must pay the bill or notify the medical care provider or supplier in the format prescribed by the chair that the bill is not being paid and explain the reasons for non-payment. In the event that the employer **or its worker's compensation insurance carrier, or the self-insured employer responsible for payment of medical benefits under this chapter,** fails to make payment or notify the medical care provider or supplier within such forty-five day period that payment is not being made, the medical care provider or supplier may notify the board in the format prescribed by the chair that the bill has not been paid and request that the board make an award for payment of such bill. The board or the chair may make an award not in excess of the established fee schedules for any such bill or part thereof which remains unpaid after said forty-five day period or thirty days after all other questions duly and timely raised in accordance with the provisions of this chapter, relating to the employer's liability**, such employer's worker's compensation insurance carrier's liability, or for a self-insured employer that is responsible**

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

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for payment of medical benefits under this chapter, such self-insured employer's liability for the payment of such amount, shall have been finally determined adversely to [~~the~~] such employer or such employer's worker's compensation insurance carrier, or such self-insured employer responsible for payment of medical benefits under this chapter, whichever is later, in accordance with rules promulgated by the chair, and such award may be collected in like manner as an award of compensation. The chair shall assess the sum of fifty dollars against the employer for each such award made by the board, which sum shall be paid into the state treasury.

(b) In the event that the employer or its worker's compensation insurance carrier, or the self-insured employer responsible for payment of medical benefits under this chapter, has provided an explanation in writing why the bill has not been paid, in part or in full, within the aforesaid time period, and the parties [~~can not~~] cannot agree as to the value of medical aid rendered under this chapter, such value shall be decided by arbitration as set forth in rules and regulations promulgated by the chair.

(c) Where a bill for medical care or supplies has been determined to be due and owing in accordance with the provisions of this section the board shall include in the amount of the award interest of not more than one and one-half percent (1 1/2%) per month payable to the medical care provider or supplier, in accordance with the rules and regulations promulgated by the board. Interest shall be calculated from the forty-fifth day after the bill was rendered or from the thirtieth day after all other questions duly and timely raised in accordance with the provisions of this chapter, relating to the employer's liability or such employer's worker's compensation insurance carrier's liability, or for a self-insured employer that is responsible for payment of medical benefits under this chapter, such self-insured employer's liability, for the payment of such amount, shall have been finally determined adversely to the employer or its worker's compensation insurance carrier, or self-insured employer responsible for payment of medical benefits under this chapter, whichever is later, in accordance with rules promulgated by the chair.

(d) If the employer or its worker's compensation insurance carrier, or the self-insured employer responsible for payment of medical benefits under this chapter, fails to pay an award within fifteen days after the award is rendered by the board pursuant to this subdivision, interest shall accrue on the unpaid amount beginning on the sixteenth day after the award is rendered and shall be payable at the rate of three percent per month until the award is paid in full.

(e) A medical care provider or supplier that alleges a pattern or practice of non-payment by the employer or its worker's compensation insurance carrier, or the self-insured employer responsible for payment of medical benefits under this chapter, may file a claim with the board, in a form and manner prescribed by the chair, requesting a determination that such employer or its worker's compensation insurance carrier, or such self-insured employer responsible for payment of medical benefits under this chapter, has engaged in a pattern or practice of non-payment and seeking a special award for payment of the bill or bills at issue.

(f) Where the board determines that a pattern or practice of non-payment exists and that payment is due and owing pursuant to this subdivision, the board shall include in the award interest at a rate of not less than three percent and not more than five percent per month. In determining the applicable rate of interest, the board shall consider

the severity, duration, and frequency of the pattern or practice of non-payment, including the number of violations, the length of time over which such conduct occurred, and the number of medical care providers or suppliers adversely affected.

(g) In cases involving egregious or repeated violations constituting a pattern or practice of non-payment, the board may, in addition to any interest awarded pursuant to this subdivision, impose a civil penalty in an amount not to exceed twenty-five percent of the amount determined to be due and owing. Such penalty shall be payable immediately upon issuance of the board's decision.

(h) For purposes of this subdivision, the term "pattern or practice" shall mean:

(i) three or more violations of this subdivision by the same employer or its insurance carrier, or by the same self-insured employer responsible for payment of medical benefits under this chapter, within a twelve-month period with respect to one or more medical care providers or suppliers; or

(ii) such other repeated conduct as the chair determines demonstrates a systemic failure to comply with the requirements of this subdivision, including repeated untimely payment of claims, repeated untimely notices of denial or objection, or other recurring payment practices that unreasonably delay reimbursement to medical care providers or suppliers.

§ 2. This act shall take effect immediately.