S T A T E O F N E W Y O R K

4444

2009-2010 Regular Sessions

I N S E N A T E

April 23, 2009

Introduced by Sen. KRUGER -- 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 establishing the office of insurance consumer advocate within the insurance department and describing its powers and duties

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. The insurance law is amended by adding a new section 210-b to read as follows:

S 210-B. OFFICE OF INSURANCE CONSUMER ADVOCATE. (A) THERE IS HEREBY CREATED WITHIN THE DEPARTMENT THE OFFICE OF INSURANCE CONSUMER ADVOCATE, HEREAFTER REFERRED TO IN THIS SECTION AS THE OFFICE. SUCH OFFICE SHALL CONSIST OF FIVE MEMBERS, THREE OF WHOM SHALL BE APPOINTED BY THE EXECUTIVE DIRECTOR OF THE CONSUMER PROTECTION BOARD AND TWO OF WHOM SHALL BE APPOINTED BY THE SUPERINTENDENT. MEMBERS OF THE OFFICE SHALL RECEIVE NO COMPENSATION FOR THEIR SERVICES AS MEMBERS, BUT SHALL BE ALLOWED THEIR ACTUAL AND NECESSARY EXPENSES INCURRED IN THE PERFORMANCE OF THEIR DUTIES.

(B) THE OFFICE, TOGETHER WITH THE CONSUMER PROTECTION BOARD, SHALL:

(1) ASSESS THE IMPACT OF INSURANCE REGULATORY ACTIONS ON NEW YORK CONSUMERS. SUCH ASSESSMENT SHALL INCLUDE THE REVIEW OF APPLICATIONS FOR SUBSCRIBER RATE CHANGES FILED BY HEALTH INSURANCE PROVIDERS LICENSED PURSUANT TO ARTICLE FORTY-THREE OF THIS CHAPTER AND ARTICLE FORTY-FOUR OF THE PUBLIC HEALTH LAW.

(2) APPEAR AT PUBLIC HEARINGS AS A REPRESENTATIVE OF CONSUMERS, TREATED AS A CLASS, WITH RESPECT TO RATE-SETTING MATTERS THAT ARE BEFORE THE SUPERINTENDENT THAT AFFECT THE CONSUMING PUBLIC.

(3) POSSESS ALL RIGHTS AND POWERS OF ANY PARTY AT INTEREST APPEARING BEFORE THE DEPARTMENT WITH REGARD TO EXAMINATION AND CROSS-EXAMINATION OF WITNESSES AND PRESENTATION OF EVIDENCE.

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

LBD11361-01-9

(4) HAVE ACCESS AS ANY PARTY, OTHER THAN STAFF, TO ALL RECORDS GATHERED BY THE DEPARTMENT INCLUDING NONPRIVILEGED MATERIAL WHICH IS RELEVANT TO THE SUBJECT MATTER INVOLVED IN SUCH PROCEEDINGS BEFORE THE DEPARTMENT.

(5) RECOMMEND INSURANCE-RELATED LEGISLATION TO THE LEGISLATURE IN CONSULTATION WITH THE CONSUMER PROTECTION BOARD THAT IN ITS JUDGMENT WOULD POSITIVELY AFFECT THE INTERESTS OF CONSUMERS.

THE OFFICE SHALL NOT PREEMPT THE APPEARANCE OF OTHER CONSUMER ADVOCATES AT ANY OFFICIAL PROCEEDINGS.

(C) THE OFFICE SHALL BE FUNDED BY AN ASSESSMENT UPON ALL DOMESTIC INSURERS AND ALL LICENSED UNITED STATES BRANCHES OF ALIEN INSURERS DOMICILED IN THIS STATE IN THE SAME MANNER AS SUCH INSURERS ARE ASSESSED PURSUANT TO SECTION THREE HUNDRED THIRTY-TWO OF THIS CHAPTER. SUCH ASSESSMENT SHALL BE FOR THE PURPOSE OF DEFRAYING THE COSTS OF CREATING, ADMINISTERING AND OPERATING THE OFFICE.

S 2. This act shall take effect on the sixtieth day after it shall have become a law.