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

928

2009-2010 Regular Sessions

I N S E N A T E

January 21, 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 notice of public hearings concerning rate increases for non-profit medical and dental indemnity, or health and hospital service corporation

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

Section 1. Paragraphs 2 and 3 of subsection (c) of section 4308 of the insurance law, paragraph 3 as amended by chapter 520 of the laws of 1999, are amended to read as follows:

(2) Prior to any such filing or application by or on behalf of a corporation for an increase or decrease in premiums for such contracts, such corporation, when directed by the superintendent, shall conduct a public hearing with respect to the terms of such filing or application. Notice of such hearing shall be published on [three] SEVEN successive days in at least two newspapers having general circulation within the territory or district wherein such corporation seeking approval of the filing is authorized to do business. The date specified for the hearing shall be not less than ten nor more than thirty days from the date of the first publication of the hearing. The notice of hearing shall state the purpose thereof, the time when and the place where the public hearing will be held. The public hearing shall be held at a time and location deemed by the superintendent to be most convenient to the greatest number of persons affected by such filing. At such hearing any person may be heard in favor of, or against, the terms of the filing or application.

(3) Following the public hearing held pursuant to paragraph two of this subsection, a transcript of the testimony therein shall be submitted together with a rate filing or application, to the superintendent. Upon receipt of such filing or application by or on behalf of a corporation, the superintendent shall order that a public hearing be held

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

LBD06579-01-9

with respect to the terms of such filing or application. Notice of such hearing shall be published on [three] SEVEN successive days in at least two newspapers having general circulation within the territory or district wherein such corporation seeking approval of the filing or application is authorized to do business. For a corporation writing more than three billion dollars in premiums as of December thirty-first, nineteen hundred ninety-six and whose service territory is greater than ten counties, such notice is to be published in at least one newspaper having general circulation in each county where persons in the service territory are affected by the proposed change. The date specified for the hearing shall be not less than ten nor more than thirty days from the date of the last publication of the hearing. The notice of hearing shall also state the purpose thereof, the time when and the place where the public hearing will be held. For those corporations writing more than three billion dollars in premiums as of December thirty-first, nineteen hundred ninety-six, and whose territory is greater than ten counties, the notice of hearing shall also state the changes proposed, the contracts to be affected and the time when such changes would take effect. The notice of hearing shall state, in prominent display, a toll-free telephone number of the insurance department that may be contacted to receive additional information on the subject rate application. The public hearing shall be held at a time and location deemed by the superintendent to be most convenient to the greatest number of persons affected by such filing or application. A copy of such notice of hearing shall be forwarded by the superintendent by registered or certified mail to the principal address of the corporation seeking approval of such filing or application. The hearing may be continued or adjourned from day to day within the discretion of the superintendent. At such hearing any person may be heard in favor of, or against, the terms of the filing or application. After conclusion of the public hearing the superintendent shall render a written decision determining whether the filing or application shall become effective as filed, shall become effective as modified, or shall be disapproved. If, subsequent to the hearing, but prior to the issuing of the superintendent's written decision on a rate increase request, the corporation increases its requested rate for any contract by two percent or more, a re-hearing shall be held. The time, location, and notice requirements for such re-hearing shall be determined by the superintendent.

S 2. This act shall take effect immediately.