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

3171

2009-2010 Regular Sessions

I N A S S E M B L Y

January 23, 2009

Introduced by M. of A. BRADLEY, RABBITT, GALEF, FIELDS, ENGLEBRIGHT, LANCMAN -- Multi-Sponsored by -- M. of A. BOYLAND, GOTTFRIED, MILLER, SWEENEY -- read once and referred to the Committee on Insurance

AN ACT to amend the insurance law and the public health law, in relation to the assignment of reimbursement by an insured to an out-of-network provider

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

Section 1. Subsection (g) of section 3217-b of the insurance law, as relettered by chapter 586 of the laws of 1998, is relettered subsection (i) and a new subsection (g) is added to read as follows:

(G) NO INSURER SUBJECT TO THIS ARTICLE SHALL BY CONTRACT, WRITTEN POLICY OR WRITTEN PROCEDURE PROHIBIT OR RESTRICT ANY INSURED FROM ASSIGNING HIS OR HER RIGHTS TO REIMBURSEMENT FOR SERVICES UNDER THE INSURANCE CONTRACT TO AN OUT-OF-NETWORK SERVICE PROVIDER. IF THE INSURER IS SUPPLIED WITH SUCH AN ASSIGNMENT, THE INSURER SHALL MAKE ANY REIMBURSEMENT PAYMENTS DIRECTLY TO THE OUT-OF-NETWORK PROVIDER. UPON MAKING PAYMENT TO THE OUT-OF-NETWORK PROVIDER, THE INSURER SHALL SEND AN EXPLANATION OF THE PAYMENT TO THE INSURED. SUCH EXPLANATION SHALL INCLUDE BUT NOT BE LIMITED TO, THE AMOUNT PAID TO THE HEALTH CARE PROVIDER, THE PERCENTAGE OF THE TOTAL CLAIM REPRESENTED BY THE PAYMENT, THE SERVICES FOR WHICH PAYMENT WAS MADE, THE HEALTH CARE PROVIDER PROVIDING THOSE SERVICES AND THE CALCULATIONS FOR PAYMENT, BY SERVICE PROVIDED, INCLUDING CO-PAYMENTS, DEDUCTIBLES, SURCHARGES AND FEE SCHEDULES.

S 2. Subsection (g) of section 4325 of the insurance law, as relettered by chapter 586 of the laws of 1998, is relettered subsection (i) and a new subsection (g) is added to read as follows:

(G) NO INSURER SUBJECT TO THIS ARTICLE SHALL BY CONTRACT, WRITTEN POLICY OR WRITTEN PROCEDURE PROHIBIT OR RESTRICT ANY INSURED FROM ASSIGNING HIS OR HER RIGHTS TO REIMBURSEMENT FOR SERVICES UNDER THE

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

LBD03342-01-9

INSURANCE CONTRACT TO AN OUT-OF-NETWORK SERVICE PROVIDER. IF THE INSURER IS SUPPLIED WITH SUCH AN ASSIGNMENT, THE INSURER SHALL MAKE ANY REIMBURSEMENT PAYMENTS DIRECTLY TO THE OUT-OF-NETWORK PROVIDER. UPON MAKING PAYMENT TO THE OUT-OF-NETWORK PROVIDER, THE INSURER SHALL SEND AN EXPLANATION OF THE PAYMENT TO THE INSURED. SUCH EXPLANATION SHALL INCLUDE BUT NOT BE LIMITED TO, THE AMOUNT PAID TO THE HEALTH CARE PROVIDER, THE PERCENTAGE OF THE TOTAL CLAIM REPRESENTED BY THE PAYMENT, THE SERVICES FOR WHICH PAYMENT WAS MADE, THE HEALTH CARE PROVIDER PROVIDING THOSE SERVICES AND THE CALCULATIONS FOR PAYMENT, BY SERVICE PROVIDED, INCLUDING CO-PAYMENTS, DEDUCTIBLES, SURCHARGES AND FEE SCHEDULES.

S 3. Subdivision 6 of section 4406-c of the public health law is renumbered subdivision 7 and a new subdivision 6 is added to read as follows:

6. NO INSURANCE PLAN SHALL BY CONTRACT, WRITTEN POLICY OR WRITTEN PROCEDURE PROHIBIT OR RESTRICT ANY INSURED FROM ASSIGNING HIS OR HER RIGHTS TO REIMBURSEMENT FOR SERVICES UNDER THE INSURANCE CONTRACT TO AN OUT-OF-NETWORK SERVICE PROVIDER. IF THE INSURER IS SUPPLIED WITH SUCH AN ASSIGNMENT, THE INSURER SHALL MAKE ANY REIMBURSEMENT PAYMENTS DIRECTLY TO THE OUT-OF-NETWORK PROVIDER. UPON MAKING PAYMENT TO THE OUT-OF-NETWORK PROVIDER, THE INSURER SHALL SEND AN EXPLANATION OF THE PAYMENT TO THE INSURED. SUCH EXPLANATION SHALL INCLUDE, BUT NOT BE LIMITED TO, THE AMOUNT PAID TO THE HEALTH CARE PROVIDER, THE PERCENTAGE OF THE TOTAL CLAIM REPRESENTED BY THE PAYMENT, THE SERVICES FOR WHICH PAYMENT WAS MADE, THE HEALTH CARE PROVIDER PROVIDING THOSE SERVICES AND THE CALCULATIONS FOR PAYMENT, BY SERVICE PROVIDED, INCLUDING CO-PAYMENTS, DEDUCTIBLES, SURCHARGES AND FEE SCHEDULES.

S 4. This act shall take effect on the sixtieth day after it shall have become a law and shall apply to any insurance contract entered into, amended or modified on or after such effective date.