

1399

2009-2010 Regular Sessions

I N S E N A T E

January 29, 2009

Introduced by Sens. MAZIARZ, ALESİ, FUSCHILLO, GOLDEN, LARKIN, MORAHAN, SALAND, VOLKER -- 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 imposing certain limits, requirements and prohibitions regarding the seeking of refunds by certain insurers, organizations or corporations from health care providers

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

1 Section 1. Section 3224-a of the insurance law is amended by adding a
2 new subsection (b-1) to read as follows:
3 (B-1) (1) EXCEPT IN THE CASE WHEN AN INSURER, ORGANIZATION OR CORPO-
4 RATION HAS A REASONABLE BASIS SUPPORTED BY SPECIFIC INFORMATION AVAIL-
5 ABLE FOR REVIEW BY THE SUPERINTENDENT THAT A CLAIM OR BILL FOR HEALTH
6 CARE SERVICES RENDERED WAS SUBMITTED FRAUDULENTLY, AN INSURER, ORGANIZA-
7 TION OR CORPORATION SHALL HAVE NO MORE THAN ONE HUNDRED EIGHTY DAYS
8 AFTER MAKING PAYMENT TO A HEALTH CARE PROVIDER FOR A CLAIM OR BILL FOR
9 SERVICES RENDERED TO SEEK A FULL OR PARTIAL REFUND OF A PAYMENT, OR TO
10 ADJUST A SUBSEQUENT PAYMENT TO REFLECT A FULL OR PARTIAL REFUND OF SUCH
11 A PAYMENT.
12 (2) AN INSURER, ORGANIZATION OR CORPORATION WHICH SEEKS A REFUND OR TO
13 MAKE AN ADJUSTMENT PURSUANT TO PARAGRAPH ONE OF THIS SUBSECTION, SHALL
14 PROVIDE THE HEALTH CARE PROVIDER WITH WRITTEN NOTICE THAT EXPLAINS IN
15 DETAIL THE REASONS FOR THE REFUND, IDENTIFIES EACH PREVIOUSLY PAID CLAIM
16 FOR WHICH A REFUND IS SOUGHT, AND PROVIDES THE HEALTH CARE PROVIDER WITH
17 AN OPPORTUNITY TO CHALLENGE THE REFUND REQUEST. SUCH WRITTEN NOTICE
18 SHALL BE MADE TO THE HEALTH CARE PROVIDER NOT LESS THAN THIRTY DAYS
19 PRIOR TO THE SEEKING OF A REFUND OR THE MAKING OF AN ADJUSTMENT PURSUANT
20 TO PARAGRAPH ONE OF THIS SUBSECTION.
21 S 2. This act shall take effect immediately and shall not apply to any
22 agreement executed on or before such date.

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

LBD01229-01-9