

5507

2009-2010 Regular Sessions

I N S E N A T E

May 13, 2009

Introduced by Sen. KLEIN -- read twice and ordered printed, and when printed to be committed to the Committee on Insurance

AN ACT to amend the insurance law and the public health law, in relation to the display of participating physicians on an insurance provider's website

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

1 Section 1. Paragraph 17 of subsection (a) of section 3217-a of the
2 insurance law, as added by chapter 705 of the laws of 1996, is amended
3 to read as follows:
4 (17) where applicable, a listing by specialty, which may be in a separate document that is updated annually, of the name, address, and telephone number of all participating providers, including facilities, and
5 in addition, in the case of physicians, board certification, PROVIDED,
6 HOWEVER, THAT AN INSURER WHICH ELECTS TO POST SUCH INFORMATION ELECTRONICALLY ON ITS WEBSITE SHALL:
7
8 (A) REMOVE ANY NON-PARTICIPATING PROVIDER FROM ITS LIST WITHIN THIRTY
9 CALENDAR DAYS FROM THE DATE WHEN: (I) THE PROVIDER HAS NOTIFIED THE
10 INSURER, IN WRITING, IT WILL NO LONGER PARTICIPATE WITH THE INSURER; OR
11 (II) THE CONTRACTUAL AGREEMENT BETWEEN THE INSURER AND PROVIDER CEASES
12 TO BE IN EFFECT; AND
13
14 (B) INCLUDE A PROVISION IN CONTRACTS WITH PARTICIPATING PROVIDERS
15 UNDER WHICH THE INSURER, WHEN IT FAILS TO REMOVE A NON-PARTICIPATING
16 PROVIDER FROM ITS WEBSITE WITHIN SUCH THIRTY DAY PERIOD, SHALL BE LIABLE
17 FOR OUT-OF-NETWORK RATES FOR SERVICES RENDERED BY A NON-PARTICIPATING
18 PROVIDER TO AN INSURED FROM THE DATE SUCH NON-PARTICIPATING PROVIDER
19 SHOULD HAVE BEEN REMOVED TO THE DATE THAT SUCH NON-PARTICIPATING PROVIDER IS REMOVED. SUCH CONTRACT PROVISION SHALL ALSO PROVIDE THAT SUCH
20 PAYMENT AMOUNT SHALL NOT BE REDUCED BY ANY APPLICABLE CO-PAYMENT OR
21 DEDUCTIBLE AND SHALL INCLUDE EXPRESS PROVISIONS INDICATING THAT THE
22 PROVIDER SHALL HOLD INSURED HARMLESS FROM LIABILITY AND SHALL NOT BILL
23
24

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

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1 INSUREDS UNDER ANY CIRCUMSTANCES FOR THE COSTS OF COVERED SERVICES
2 RENDERED BY THE CONTRACTING PROVIDER.

3 S 2. Paragraph 17 of subsection (a) of section 4324 of the insurance
4 law, as added by chapter 705 of the laws of 1996, is amended to read as
5 follows:

6 (17) where applicable, a listing by specialty, which may be in a sepa-
7 rate document that is updated annually, of the name, address, and tele-
8 phone number of all participating providers, including facilities, and
9 in addition, in the case of physicians, board certification, PROVIDED,
10 HOWEVER, THAT A HEALTH SERVICE, HOSPITAL SERVICE OR MEDICAL INDEMNITY
11 EXPENSE CORPORATION WHICH ELECTS TO POST SUCH INFORMATION ELECTRONICALLY
12 ON ITS WEBSITE SHALL:

13 (A) REMOVE ANY NON-PARTICIPATING PROVIDER FROM ITS LIST WITHIN THIRTY
14 CALENDAR DAYS FROM THE DATE WHEN: (I) THE PROVIDER HAS NOTIFIED THE
15 CORPORATION, IN WRITING, IT WILL NO LONGER PARTICIPATE WITH THE CORPO-
16 RATION; OR (II) THE CONTRACTUAL AGREEMENT BETWEEN THE CORPORATION AND
17 THE PROVIDER CEASES TO BE IN EFFECT; AND

18 (B) INCLUDE A PROVISION IN ITS CONTRACTS WITH PARTICIPATING PROVIDERS
19 UNDER WHICH THE CORPORATION, WHEN IT FAILS TO REMOVE A NONPARTICIPATING
20 PROVIDER FROM ITS WEBSITE WITHIN SUCH THIRTY DAY PERIOD, SHALL BE LIABLE
21 FOR PAYMENT OF OUT-OF-NETWORK RATES FOR ANY SERVICES RENDERED BY A
22 NONPARTICIPATING PROVIDER TO A SUBSCRIBER OF THE CORPORATION FROM THE
23 DATE SUCH NONPARTICIPATING PROVIDER SHOULD HAVE BEEN REMOVED TO THE DATE
24 THAT SUCH NONPARTICIPATING PROVIDER IS REMOVED. SUCH CONTRACT PROVISIONS
25 SHALL ALSO PROVIDE THAT SUCH PAYMENT AMOUNT SHALL NOT BE REDUCED BY ANY
26 APPLICABLE CO-PAYMENT OR DEDUCTIBLE PROVISION AND SHALL INCLUDE EXPRESS
27 PROVISIONS INDICATING THAT THE PROVIDER SHALL HOLD SUBSCRIBERS HARMLESS
28 FROM LIABILITY AND SHALL NOT BILL SUBSCRIBERS UNDER ANY CIRCUMSTANCES
29 FOR THE COSTS OF COVERED SERVICES RENDERED BY THE CONTRACTING PROVIDER;
30 and

31 S 3. Paragraph (r) of subdivision 1 of section 4408 of the public
32 health law, as added by chapter 705 of the laws of 1996, is amended to
33 read as follows:

34 (r) a listing by specialty, which may be in a separate document that
35 is updated annually, of the name, address and telephone number of all
36 participating providers, including facilities, and, in addition, in the
37 case of physicians, board certification, PROVIDED, HOWEVER, THAT A
38 HEALTH MAINTENANCE ORGANIZATION WHICH ELECTS TO POST SUCH INFORMATION
39 ELECTRONICALLY ON ITS WEBSITE SHALL:

40 (A) REMOVE ANY NON-PARTICIPATING PROVIDER FROM ITS LIST WITHIN THIRTY
41 CALENDAR DAYS FROM THE DATE WHEN: (I) THE PROVIDER HAS NOTIFIED THE
42 HEALTH MAINTENANCE ORGANIZATION, IN WRITING, IT WILL NO LONGER PARTIC-
43 IPATE WITH THE HEALTH MAINTENANCE ORGANIZATION; OR (II) THE CONTRACTUAL
44 AGREEMENT BETWEEN THE HEALTH MAINTENANCE ORGANIZATION AND THE PROVIDER
45 CEASES TO BE IN EFFECT; AND

46 (B) INCLUDE A PROVISION IN ITS CONTRACTS WITH PARTICIPATING PROVIDERS
47 UNDER WHICH THE HEALTH MAINTENANCE ORGANIZATION, WHEN IT FAILS TO REMOVE
48 A NONPARTICIPATING PROVIDER FROM ITS WEBSITE WITHIN SUCH THIRTY DAY
49 PERIOD, SHALL BE LIABLE FOR PAYMENT OF OUT-OF-NETWORK RATES FOR ANY
50 SERVICES RENDERED BY A NONPARTICIPATING PROVIDER TO AN ENROLLEE OF THE
51 HEALTH MAINTENANCE ORGANIZATION FROM THE DATE SUCH NONPARTICIPATING
52 PROVIDER SHOULD HAVE BEEN REMOVED TO THE DATE THAT SUCH NONPARTICIPATING
53 PROVIDER IS REMOVED. SUCH CONTRACT PROVISIONS SHALL ALSO PROVIDE THAT
54 SUCH PAYMENT AMOUNT SHALL NOT BE REDUCED BY ANY APPLICABLE CO-PAYMENT OR
55 DEDUCTIBLE PROVISION AND SHALL INCLUDE EXPRESS PROVISIONS INDICATING
56 THAT THE PROVIDER SHALL HOLD ENROLLEES HARMLESS FROM LIABILITY AND SHALL

1 NOT BILL ENROLLEES UNDER ANY CIRCUMSTANCES FOR THE COSTS OF COVERED
2 SERVICES RENDERED BY THE CONTRACTING PROVIDER.

3 S 4. This act shall take effect on the first of January next succeed-
4 ing the date on which it shall have become a law and shall apply to all
5 contracts issued, renewed, modified or altered on and after such effec-
6 tive date.