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I N   S E N A T E

April 22, 2010

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Introduced by Sen. PARKER -- 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 requiring insurance companies to disclose claims information to municipalities

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

1     Section 1. The insurance law is amended by adding a new section 3217-e  
2     to read as follows:  
3     S 3217-E. DISCLOSURE OF INFORMATION TO MUNICIPALITIES. (A) EVERY  
4     INSURER CONTRACTING WITH MUNICIPALITIES EMPLOYING FOUR HUNDRED OR MORE  
5     EMPLOYEES, INCLUDING MUNICIPAL COOPERATIVE HEALTH BENEFIT PLANS CERTI-  
6     FIED PURSUANT TO ARTICLE FORTY-SEVEN OF THIS CHAPTER, SHALL PROVIDE UPON  
7     REQUEST THE FOLLOWING INFORMATION TO THE INSURED MUNICIPALITY:  
8     (1) SPECIFIC CLAIMS EXPERIENCE COVERED BY THE INSURER UNDER A COMMUNI-  
9     TY RATED OR EXPERIENCED RATED POLICY. FOR PURPOSES OF THIS SECTION  
10    "EXPERIENCE RATINGS" SHALL MEAN AND INCLUDE ALL QUANTITATIVE MEASURES  
11    USED BY THE INSURANCE CARRIER SUCH AS EXPENSES PER MEMBER AND ANY  
12    HISTORICAL DATA;  
13    (2) AVERAGE ANNUAL PER MEMBER COST OF CLAIMS REIMBURSEMENT;  
14    (3) NUMBER OF MEMBERS WHO DID NOT FILE A CLAIM WITHIN A TWELVE MONTH  
15    PERIOD;  
16    (4) A COMPARISON OF EMERGENCY SERVICES USED BY MEMBERS TO OUT-PATIENT  
17    SERVICES;  
18    (5) A LOSS RATIO REPORT;  
19    (6) CLAIMS HISTORY FOR THE LAST TWELVE MONTHS FOR EXPERIENCE RATED  
20    PLANS SEPARATED BY MEDICAL AND PRESCRIPTION;  
21    (7) INFORMATION REGARDING COST ON THE TOP TWENTY-FIVE PRESCRIPTION  
22    DRUGS BEING USED BY MEMBER EMPLOYEES;  
23    (8) LARGE LOSS CLAIMS REPORT INDICATING DIAGNOSIS AND PROGNOSIS FOR  
24    CLAIMS GREATER THAN THIRTY THOUSAND DOLLARS;  
25    (9) MEDICAL LOSS RATIO REPORT; AND  
26    (10) ANY OTHER STATISTICAL INFORMATION THE MUNICIPALITY REQUESTS TO  
27    DETERMINE USE OF BENEFITS BY MEMBERS.

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

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1 (B) THE SUPERINTENDENT SHALL IMPOSE A FINE OF THREE HUNDRED THOUSAND  
2 DOLLARS FOR FAILURE TO PROVIDE WITHIN THIRTY DAYS OF A WRITTEN REQUEST  
3 BY THE INSURED MUNICIPALITY THE INFORMATION REQUIRED BY PARAGRAPH ONE OF  
4 SUBSECTION (A) OF THIS SECTION RELATING TO HOW FUNDING WAS SPENT BY THE  
5 INSURANCE CARRIER REGARDING THE INSURED EMPLOYEES. A FINE OF TEN THOU-  
6 SAND DOLLARS PER DAY SHALL BE IMPOSED FOR EACH DAY SUCH FAILURE CONTIN-  
7 UES. ANY FINES IMPOSED SHALL BE PAID TO THE INSURED MUNICIPALITY  
8 REQUESTING SUCH INFORMATION.

9 (C) NOTWITHSTANDING THE FOREGOING PROVISIONS, IN RELEASING ANY SUCH  
10 INFORMATION THE INSURER SHALL COMPLY WITH THE FEDERAL HEALTH INSURANCE  
11 PORTABILITY AND ACCOUNTABILITY ACT (HIPAA) OF 1996, AS AMENDED.

12 S 2. This act shall take effect immediately.