

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:

- 1 Section 1. Paragraphs 2 and 3 of subsection (c) of section 4308 of the
2 insurance law, paragraph 3 as amended by chapter 520 of the laws of
3 1999, are amended to read as follows:
4 (2) Prior to any such filing or application by or on behalf of a
5 corporation for an increase or decrease in premiums for such contracts,
6 such corporation, when directed by the superintendent, shall conduct a
7 public hearing with respect to the terms of such filing or application.
8 Notice of such hearing shall be published on [three] SEVEN successive
9 days in at least two newspapers having general circulation within the
10 territory or district wherein such corporation seeking approval of the
11 filing is authorized to do business. The date specified for the hearing
12 shall be not less than ten nor more than thirty days from the date of
13 the first publication of the hearing. The notice of hearing shall state
14 the purpose thereof, the time when and the place where the public hear-
15 ing will be held. The public hearing shall be held at a time and
16 location deemed by the superintendent to be most convenient to the
17 greatest number of persons affected by such filing. At such hearing any
18 person may be heard in favor of, or against, the terms of the filing or
19 application.
20 (3) Following the public hearing held pursuant to paragraph two of
21 this subsection, a transcript of the testimony therein shall be submit-
22 ted together with a rate filing or application, to the superintendent.
23 Upon receipt of such filing or application by or on behalf of a corpo-
24 ration, 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.

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1 with respect to the terms of such filing or application. Notice of such
2 hearing shall be published on [three] SEVEN successive days in at least
3 two newspapers having general circulation within the territory or
4 district wherein such corporation seeking approval of the filing or
5 application is authorized to do business. For a corporation writing more
6 than three billion dollars in premiums as of December thirty-first,
7 nineteen hundred ninety-six and whose service territory is greater than
8 ten counties, such notice is to be published in at least one newspaper
9 having general circulation in each county where persons in the service
10 territory are affected by the proposed change. The date specified for
11 the hearing shall be not less than ten nor more than thirty days from
12 the date of the last publication of the hearing. The notice of hearing
13 shall also state the purpose thereof, the time when and the place where
14 the public hearing will be held. For those corporations writing more
15 than three billion dollars in premiums as of December thirty-first,
16 nineteen hundred ninety-six, and whose territory is greater than ten
17 counties, the notice of hearing shall also state the changes proposed,
18 the contracts to be affected and the time when such changes would take
19 effect. The notice of hearing shall state, in prominent display, a toll-
20 free telephone number of the insurance department that may be contacted
21 to receive additional information on the subject rate application. The
22 public hearing shall be held at a time and location deemed by the super-
23 intendent to be most convenient to the greatest number of persons
24 affected by such filing or application. A copy of such notice of hearing
25 shall be forwarded by the superintendent by registered or certified mail
26 to the principal address of the corporation seeking approval of such
27 filing or application. The hearing may be continued or adjourned from
28 day to day within the discretion of the superintendent. At such hearing
29 any person may be heard in favor of, or against, the terms of the filing
30 or application. After conclusion of the public hearing the superinten-
31 dent shall render a written decision determining whether the filing or
32 application shall become effective as filed, shall become effective as
33 modified, or shall be disapproved. If, subsequent to the hearing, but
34 prior to the issuing of the superintendent's written decision on a rate
35 increase request, the corporation increases its requested rate for any
36 contract by two percent or more, a re-hearing shall be held. The time,
37 location, and notice requirements for such re-hearing shall be deter-
38 mined by the superintendent.

39 S 2. This act shall take effect immediately.