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

3065

2011-2012 Regular Sessions

I N A S S E M B L Y

January 21, 2011

Introduced by M. of A. SCHROEDER -- read once and referred to the Committee on Insurance

AN ACT to amend the insurance law, in relation to excepting from community rating requirements group health insurance policies issued to multiple employer trusts consisting of municipal corporations and public benefit corporations

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

Section 1. Subsection (g) of section 3231 of the insurance law, as added by chapter 501 of the laws of 1992, is amended to read as follows:

(g) This section shall also apply to policies issued to a group defined in subsection (c) of section four thousand two hundred thirty-five OF THIS CHAPTER, including but not limited to an association or trust of employers, if the group includes one or more member employers or other member groups which have fifty or fewer employees or members exclusive of spouses and dependents, PROVIDED HOWEVER THAT THIS SECTION SHALL NOT APPLY TO POLICIES ISSUED TO A GROUP DEFINED IN SUBPARAGRAPH (D) OF PARAGRAPH ONE OF SUBSECTION (C) OF SECTION FOUR THOUSAND TWO HUNDRED THIRTY-FIVE OF THIS CHAPTER, IF THE GROUP INCLUDES ONE OR MORE MEMBER EMPLOYERS THAT ARE MUNICIPAL CORPORATIONS OR PUBLIC BENEFIT CORPORATIONS THAT HAVE FIFTY OR FEWER EMPLOYEES EXCLUSIVE OF SPOUSES AND DEPENDENTS.

S 2. Paragraph 1 of subsection (d) of section 4317 of the insurance law, as amended by section 2 of part A of chapter 494 of the laws of 2009, is amended to read as follows:

(1) This section shall also apply to contracts issued to a group defined in subsection (c) of section four thousand two hundred thirty-five of this chapter, including but not limited to an association or trust of employers, if the group includes one or more member employers or other member groups which have fifty or fewer employees or members exclusive of spouses and dependents, PROVIDED HOWEVER THAT THIS SECTION

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

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SHALL NOT APPLY TO POLICIES ISSUED TO A GROUP DEFINED IN SUBPARAGRAPH (D) OF PARAGRAPH ONE OF SUBSECTION (C) OF SECTION FOUR THOUSAND TWO HUNDRED THIRTY-FIVE OF THIS CHAPTER, IF THE GROUP INCLUDES ONE OR MORE MEMBER EMPLOYERS THAT ARE MUNICIPAL CORPORATIONS OR PUBLIC BENEFIT CORPORATIONS THAT HAVE FIFTY OR FEWER EMPLOYEES EXCLUSIVE OF SPOUSES AND DEPENDENTS.

S 3. This act shall take effect immediately.