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I N   S E N A T E

January 13, 2012

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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 establishing the office of insurance consumer advocate within the insurance department and describing its powers and duties

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 210-b  
2     to read as follows:  
3     S 210-B. OFFICE OF INSURANCE CONSUMER ADVOCATE. (A) THERE IS HEREBY  
4     CREATED WITHIN THE DEPARTMENT THE OFFICE OF INSURANCE CONSUMER ADVOCATE,  
5     HEREFTER REFERRED TO IN THIS SECTION AS THE OFFICE. SUCH OFFICE SHALL  
6     CONSIST OF FIVE MEMBERS, THREE OF WHOM SHALL BE APPOINTED BY THE EXECU-  
7     TIVE DIRECTOR OF THE CONSUMER PROTECTION BOARD AND TWO OF WHOM SHALL BE  
8     APPOINTED BY THE SUPERINTENDENT. MEMBERS OF THE OFFICE SHALL RECEIVE NO  
9     COMPENSATION FOR THEIR SERVICES AS MEMBERS, BUT SHALL BE ALLOWED THEIR  
10    ACTUAL AND NECESSARY EXPENSES INCURRED IN THE PERFORMANCE OF THEIR  
11    DUTIES.  
12    (B) THE OFFICE, TOGETHER WITH THE CONSUMER PROTECTION BOARD, SHALL:  
13    (1) ASSESS THE IMPACT OF INSURANCE REGULATORY ACTIONS ON NEW YORK  
14    CONSUMERS. SUCH ASSESSMENT SHALL INCLUDE THE REVIEW OF APPLICATIONS FOR  
15    SUBSCRIBER RATE CHANGES FILED BY HEALTH INSURANCE PROVIDERS LICENSED  
16    PURSUANT TO ARTICLE FORTY-THREE OF THIS CHAPTER AND ARTICLE FORTY-FOUR  
17    OF THE PUBLIC HEALTH LAW.  
18    (2) APPEAR AT PUBLIC HEARINGS AS A REPRESENTATIVE OF CONSUMERS, TREAT-  
19    ED AS A CLASS, WITH RESPECT TO RATE-SETTING MATTERS THAT ARE BEFORE THE  
20    SUPERINTENDENT THAT AFFECT THE CONSUMING PUBLIC.  
21    (3) POSSESS ALL RIGHTS AND POWERS OF ANY PARTY AT INTEREST APPEARING  
22    BEFORE THE DEPARTMENT WITH REGARD TO EXAMINATION AND CROSS-EXAMINATION  
23    OF WITNESSES AND PRESENTATION OF EVIDENCE.  
24    (4) HAVE ACCESS AS ANY PARTY, OTHER THAN STAFF, TO ALL RECORDS GATH-  
25    ERED BY THE DEPARTMENT INCLUDING NONPRIVILEGED MATERIAL WHICH IS RELE-  
26    VANT TO THE SUBJECT MATTER INVOLVED IN SUCH PROCEEDINGS BEFORE THE  
27    DEPARTMENT.

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

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1 (5) RECOMMEND INSURANCE-RELATED LEGISLATION TO THE LEGISLATURE IN  
2 CONSULTATION WITH THE CONSUMER PROTECTION BOARD THAT IN ITS JUDGMENT  
3 WOULD POSITIVELY AFFECT THE INTERESTS OF CONSUMERS.

4 THE OFFICE SHALL NOT PREEMPT THE APPEARANCE OF OTHER CONSUMER ADVO-  
5 CATES AT ANY OFFICIAL PROCEEDINGS.

6 (C) THE OFFICE SHALL BE FUNDED BY AN ASSESSMENT UPON ALL DOMESTIC  
7 INSURERS AND ALL LICENSED UNITED STATES BRANCHES OF ALIEN INSURERS DOMI-  
8 CILED IN THIS STATE IN THE SAME MANNER AS SUCH INSURERS ARE ASSESSED  
9 PURSUANT TO SECTION THREE HUNDRED THIRTY-TWO OF THIS CHAPTER. SUCH  
10 ASSESSMENT SHALL BE FOR THE PURPOSE OF DEFRAYING THE COSTS OF CREATING,  
11 ADMINISTERING AND OPERATING THE OFFICE.

12 S 2. This act shall take effect on the sixtieth day after it shall  
13 have become a law.