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

5198

2011-2012 Regular Sessions

I N A S S E M B L Y

February 14, 2011

Introduced by M. of A. BARCLAY, CALHOUN, SAYWARD -- Multi-Sponsored by -- M. of A. BURLING, CONTE, CROUCH, FINCH, GIGLIO, HAYES, McDONOUGH, RAIA, TEDISCO -- read once and referred to the Committee on Insurance

AN ACT to amend the insurance law, in relation to rate filings for health insurance

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

Section 1. Subparagraph (B) of paragraph 2 of subsection (e) of section 3231 of the insurance law, as amended by chapter 107 of the laws of 2010, is relettered subparagraph (C) and a new subparagraph (B) is added to read as follows:

(B) BEGINNING APRIL FIRST, TWO THOUSAND TWELVE, NO RATE INCREASE OR DECREASE MAY BE DEEMED APPROVED UNDER THIS SUBSECTION IF THAT INCREASE OR DECREASE, TOGETHER WITH ANY OTHER RATE INCREASES OR DECREASES IMPOSED ON THE SAME POLICY FORM, WOULD CAUSE THE AGGREGATE RATE INCREASE OR DECREASE FOR THAT POLICY FORM TO EXCEED TEN PERCENT DURING ANY CONTINUOUS TWELVE MONTH PERIOD. NO RATE INCREASE MAY BE IMPOSED UNLESS AT LEAST THIRTY DAYS ADVANCE WRITTEN NOTICE OF SUCH INCREASE HAS BEEN PROVIDED TO EACH POLICYHOLDER, EMPLOYEE AND MEMBER.

S 2. Paragraph 2 of subsection (g) of section 4308 of the insurance law, as amended by chapter 107 of the laws of 2010, is amended to read as follows:

(2) [Prior to January] BEGINNING APRIL first, two thousand TWELVE, no rate increase or decrease may be deemed approved under this subsection if that increase or decrease, together with any other rate increases or decreases imposed on the same contract form, would cause the aggregate rate increase or decrease for that contract form to exceed ten percent during any continuous twelve month period. No rate increase may be imposed pursuant to this subsection unless at least thirty days advance written notice of such increase has been provided to each contract holder and subscriber.

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

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S 3. (a) The superintendent of insurance shall undertake a study of existing mandated health insurance benefits. The study shall include, at a minimum and to the extent that information is available, the following:

(1) The extent to which the treatment or service is utilized by a significant portion of the population;

(2) The extent to which the treatment or service is available to the population;

(3) The extent to which the mandated insurance coverage has increased or decreased the cost of the treatment or service over the past five years;

(4) The extent to which the mandated insurance coverage has affected the number and types of providers of the mandated treatment or service over the past five years;

(5) The extent to which insurance coverage of the health care service or provider has increased or decreased the insurance premium and administrative expenses of policyholders;

(6) The impact of indirect costs, which are costs other than premiums and administrative costs, on the question of the costs and benefits of coverage;

(7) The impact of this coverage on the total cost of health care; and

(8) The effects on the cost of health care to employers and employees.

(b) The superintendent of insurance shall further consider:

(1) The extent to which the need for mandated benefits outweighs the costs associated with the mandate; and

(2) The advisability of mandating the availability of benefits which are presently mandated.

(c) The superintendent of insurance shall forward a report of the study to the legislature on or before December 31, 2012.

S 4. This act shall take effect immediately.