

8400

2011-2012 Regular Sessions

I N A S S E M B L Y

June 15, 2011

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

AN ACT to amend the insurance law, in relation to imposing a penalty for
failing to comply with notification requirements concerning certain
managed health care products

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

1 Section 1. Paragraph 1 of subsection (a) of section 4803 of the insur-
2 ance law, as amended by chapter 237 of the laws of 2009, is amended to
3 read as follows:
4 (1) (A) An insurer which offers a managed care product shall, upon
5 request, make available and disclose to health care professionals writ-
6 ten application procedures and minimum qualification requirements which
7 a health care professional must meet in order to be considered by the
8 insurer for participation in the in-network benefits portion of the
9 insurer's network for the managed care product. The insurer shall
10 consult with appropriately qualified health care professionals in devel-
11 oping its qualification requirements for participation in the in-network
12 benefits portion of the insurer's network for the managed care product.
13 An insurer shall complete review of the health care professional's
14 application to participate in the in-network portion of the insurer's
15 network and, within ninety days of receiving a health care profes-
16 sional's completed application to participate in the insurer's network,
17 will notify the health care professional as to: [(A)] (I) whether he or
18 she is credentialed; or [(B)] (II) whether additional time is necessary
19 to make a determination in spite of the insurer's best efforts or
20 because of a failure of a third party to provide necessary documenta-
21 tion, or non-routine or unusual circumstances require additional time
22 for review. In such instances where additional time is necessary
23 because of a lack of necessary documentation, an insurer shall make
24 every effort to obtain such information as soon as possible.

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

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1 (B) IF AN INSURER FAILS TO COMPLY WITH THE NOTIFICATION REQUIREMENTS
2 IN THIS SECTION WITHIN NINETY DAYS OF RECEIVING A HEALTH CARE PROFES-
3 SIONAL'S COMPLETED APPLICATION THEN SUCH INSURER WILL BE LIABLE FOR A
4 CIVIL PENALTY OF FIVE HUNDRED DOLLARS PER DAY PAYABLE TO THE HEALTH CARE
5 PROFESSIONAL UNTIL SUCH NOTIFICATION REQUIREMENTS PRESCRIBED IN THIS
6 SECTION ARE MET.

7 S 2. This act shall take effect immediately.