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I N A S S E M B L Y

June 6, 2014

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Hevesi) --
read once and referred to the Committee on Insurance

AN ACT to amend the insurance law, in relation to life, accident and health insurance; discriminating and rebating; prohibited inducements and independent sales

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

1 Section 1. Subsection (f) of section 4224 of the insurance law is
2 amended by adding a new paragraph 3 to read as follows:
3 (3) NOTWITHSTANDING SUBSECTION (C) OF THIS SECTION, A LICENSED AGENT
4 OR INSURANCE BROKER MAY PROVIDE THE FOLLOWING SERVICES WITHOUT CHARGING
5 A SERVICE FEE OR, IN THE CASE OF A LICENSED INSURANCE BROKER, FOR A
6 SEPARATE SERVICE FEE PURSUANT TO A WRITTEN MEMORANDUM MADE IN ACCORDANCE
7 WITH SUBSECTION (C) OF SECTION TWO THOUSAND ONE HUNDRED AND NINETEEN OF
8 THIS CHAPTER, IF SUCH SERVICES ARE PROVIDED IN A FAIR AND NONDISCRIMINA-
9 TORY MANNER AND INCIDENTAL TO A GROUP OR BLANKET POLICY OR CONTRACT SOLD
10 BY THE INSURANCE AGENT OR INSURANCE BROKER:
11 (I) RISK ASSESSMENT, INCLUDING IDENTIFYING SOURCES OF RISK AND DEVEL-
12 OPING STRATEGIES FOR ELIMINATING OR LIMITING THOSE RISKS;
13 (II) INSURANCE CONSULTING SERVICES OR OTHER INSURANCE-RELATED ADVICE;
14 (III) INSURANCE-RELATED REGULATORY AND LEGISLATIVE UPDATES;
15 (IV) CERTAIN CLAIMS ASSISTANCE SERVICES (INCLUDING THE PREPARATION OF
16 CLAIMS FORMS), BUT EXCLUDING ADJUSTMENT, UNLESS THE EXCEPTIONS SET FORTH
17 IN SUBSECTION (G) OF SECTION TWO THOUSAND ONE HUNDRED AND ONE OF THIS
18 CHAPTER ARE SATISFIED;
19 (V) TAX PREPARATION ON BEHALF OF AN EMPLOYER OF SCHEDULE A OF THE
20 INTERNAL REVENUE SERVICE FORM FIFTY-FIVE HUNDRED ANNUAL RETURN/REPORT OF
21 EMPLOYEE BENEFIT PLAN, WHICH REQUESTS INFORMATION REGARDING INSURANCE
22 CONTRACT COVERAGE, FEES, AND COMMISSIONS, INVESTMENT AND ANNUITY
23 CONTRACTS, AND WELFARE BENEFIT CONTRACTS;
24 (VI) INFORMATION TO GROUP POLICY OR CONTRACT HOLDERS AND MEMBERS UNDER
25 GROUP INSURANCE POLICIES CURRENTLY IN PLACE, AS WELL AS FORMS NEEDED FOR
26 PLAN ADMINISTRATION, ENROLLMENT IN A PLAN, INSURER WEBSITE LINKS, AND
27 ANSWERS TO FREQUENTLY ASKED QUESTIONS RELATED TO THE INSURANCE (INCLUD-

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

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1 ING, FOR EXAMPLE, ACCESS THROUGH A WEBSITE, CREATED BY THE INSURANCE
2 PRODUCER, TO AN EMPLOYEE BENEFIT PORTAL THAT CONTAINS SUCH INFORMATION);

3 (VII) CERTAIN SERVICES PERFORMED PURSUANT TO THE FEDERAL CONSOLIDATED
4 OMNIBUS BUDGET RECONCILIATION ACT (COBRA), SUCH AS BILLING FORMER
5 EMPLOYEES, COLLECTING THE INSURANCE PREMIUMS, AND FORWARDING THE AGGRE-
6 GATE PREMIUMS TO THE EMPLOYER POLICY OR CONTRACT HOLDER OR TO THE INSUR-
7 ER, WHEN OFFERED IN CONNECTION WITH THE PROVISION OF ACCIDENT AND HEALTH
8 INSURANCE; AND

9 (VIII) CERTAIN SERVICES PROVIDED IN ACCORDANCE WITH THE FEDERAL HEALTH
10 INSURANCE PORTABILITY AND ACCOUNTABILITY ACT, SUCH AS THOSE PERTAINING
11 TO HEALTH CARE ACCESS, PORTABILITY, AND RENEWABILITY, WHEN OFFERED IN
12 CONNECTION WITH THE PROVISION OF ACCIDENT AND HEALTH INSURANCE.

13 S 2. This act shall take effect immediately.