

7500--A

I N   S E N A T E

May 15, 2014

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Introduced by Sen. HANNON -- read twice and ordered printed, and when printed to be committed to the Committee on Health -- reported favorably from said committee and committed to the Committee on Finance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the public health law and the insurance law, in relation to requiring health insurers to accept third party payments for coverage

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

1     Section 1. Section 4406-c of the public health law is amended by  
2     adding a new subdivision 9 to read as follows:  
3     9. WITH REGARD TO A SUBSCRIBER CONTRACT OFFERED THROUGH THE INDIVIDUAL  
4     MARKET, A HEALTH MAINTENANCE ORGANIZATION SHALL NOT BY CONTRACT OR IN  
5     ANY OTHER MANNER REFUSE TO ACCEPT PREMIUM OR ANY REQUIRED COST SHARING  
6     PAYMENTS FROM THIRD-PARTIES IF MADE BY (A) AN INDIAN TRIBE, TRIBAL  
7     ORGANIZATION, URBAN INDIAN ORGANIZATION, OR ANY STATE OR FEDERAL GOVERN-  
8     MENT PROGRAM OR GRANTEE (SUCH AS THE RYAN WHITE HIV/AIDS PROGRAM) ON  
9     BEHALF OF AN ENROLLEE, OR (B) A PRIVATE, NOT-FOR-PROFIT FOUNDATION, ON  
10    BEHALF OF AN ENROLLEE WHO SATISFIES DEFINED CRITERIA THAT ARE BASED ON  
11    FINANCIAL STATUS AND DO NOT CONSIDER HEALTH STATUS, AND THE PAYMENT  
12    COVERS THE ENTIRE POLICY YEAR.  
13    S 2. Section 3217-b of the insurance law is amended by adding a new  
14    subsection (k) to read as follows:  
15    (K) WITH REGARD TO AN INSURANCE POLICY OFFERED THROUGH THE INDIVIDUAL  
16    MARKET, AN INSURER SHALL NOT BY CONTRACT OR IN ANY OTHER MANNER REFUSE  
17    TO ACCEPT PREMIUM OR ANY REQUIRED COST SHARING PAYMENTS FROM THIRD-PAR-  
18    TIES IF MADE BY (1) AN INDIAN TRIBE, TRIBAL ORGANIZATION, URBAN INDIAN  
19    ORGANIZATION, OR ANY STATE OR FEDERAL GOVERNMENT PROGRAM OR GRANTEE  
20    (SUCH AS THE RYAN WHITE HIV/AIDS PROGRAM) ON BEHALF OF AN INSURED, OR  
21    (2) A PRIVATE, NOT-FOR-PROFIT FOUNDATION, ON BEHALF OF AN INSURED WHO  
22    SATISFIES DEFINED CRITERIA THAT ARE BASED ON FINANCIAL STATUS AND DO NOT  
23    CONSIDER HEALTH STATUS, AND THE PAYMENT COVERS THE ENTIRE POLICY YEAR.

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

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1 S 3. Section 4325 of the insurance law is amended by adding a new  
2 subsection (1) to read as follows:  
3 (1) WITH REGARD TO AN INSURANCE CONTRACT OFFERED THROUGH THE INDIVID-  
4 UAL MARKET, A CORPORATION ORGANIZED UNDER THIS ARTICLE SHALL NOT BY  
5 CONTRACT OR IN ANY OTHER MANNER REFUSE TO ACCEPT PREMIUM OR ANY REQUIRED  
6 COST SHARING PAYMENTS FROM THIRD-PARTIES IF MADE BY (1) AN INDIAN TRIBE,  
7 TRIBAL ORGANIZATION, URBAN INDIAN ORGANIZATION, OR ANY STATE OR FEDERAL  
8 GOVERNMENT PROGRAM OR GRANTEE (SUCH AS THE RYAN WHITE HIV/AIDS PROGRAM)  
9 ON BEHALF OF A SUBSCRIBER, OR (2) A PRIVATE, NOT-FOR-PROFIT FOUNDATION,  
10 ON BEHALF OF A SUBSCRIBER WHO SATISFIES DEFINED CRITERIA THAT ARE BASED  
11 ON FINANCIAL STATUS AND DO NOT CONSIDER HEALTH STATUS, AND PAYMENT  
12 COVERS THE ENTIRE POLICY YEAR.  
13 S 4. This act shall take effect January 1, 2015.