

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

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I N A S S E M B L Y

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Introduced by M. of A. DINOWITZ, GOTTFRIED, GALEF, HOOPER, CLARK --
Multi-Sponsored by -- M. of A. BRENNAN, COLTON, LIFTON -- read once
and referred to the Committee on Health

AN ACT to amend the insurance law and the public health law, in relation
to access to health care providers in managed care plans

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

1 Section 1. Subsection (e) of section 4803 of the insurance law, as
2 added by chapter 705 of the laws of 1996, is amended to read as follows:
3 (e) No insurer shall terminate or refuse to renew a contract for
4 participation in the in-network benefits portion of an insurer's network
5 for a managed care product solely because the health care professional
6 has: (1) advocated on behalf of an insured; (2) [has] filed a complaint
7 against the insurer; (3) [has] appealed a decision of the insurer; (4)
8 provided information or filed a report pursuant to section forty-four
9 hundred six-c of the public health law; [or] (5) requested a hearing or
10 review pursuant to this section; OR (6) RENDERED AN OPINION REGARDING
11 WHETHER AN INSURED'S ILLNESS IS TERMINAL PURSUANT TO SECTION FOUR THOU-
12 SAND EIGHT HUNDRED FOUR OF THIS ARTICLE.

13 S 2. Subsections (e) and (f) of section 4804 of the insurance law, as
14 added by chapter 705 of the laws of 1996, are amended to read as
15 follows:

16 (e) (1) If an insured's health care provider leaves the insurer's
17 in-network benefits portion of its network of providers for a managed
18 care product for reasons other than those for which the provider would
19 not be eligible to receive a hearing pursuant to paragraph one of
20 subsection (b) of section [forty-eight] FOUR THOUSAND EIGHT hundred
21 three of this [chapter] ARTICLE, the insurer shall permit the insured to
22 continue [an ongoing course of treatment with] TO RECEIVE HEALTH CARE
23 PROCEDURES, TREATMENTS, AND SERVICES FROM the insured's current health
24 care provider during a transitional period of (i) up to [ninety days]

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

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1 ONE YEAR from the date of notice to the insured of the provider's disaf-
2 filiation from the insurer's network[;] or (ii) if the insured has
3 entered the second trimester of pregnancy at the time of the provider's
4 disaffiliation, for a transitional period that includes the provision of
5 post-partum care directly related to the delivery; OR A TERMINAL ILLNESS
6 OR CONDITION, UNTIL THE TIME OF SUCH INSURED'S DEATH.

7 (2) Notwithstanding the provisions of paragraph one of this
8 subsection, such care shall be authorized by the insurer during the
9 transitional period only if the health care provider agrees (i) to
10 continue to accept reimbursement from the insurer at the rates applica-
11 ble prior to the start of the transitional period as payment in full;
12 (ii) to adhere to the insurer's quality assurance requirements and to
13 provide to the insurer necessary medical information related to such
14 care; and (iii) to otherwise adhere to the insurer's policies and proce-
15 dures, including, but not limited to, procedures regarding referrals and
16 obtaining pre-authorization and a treatment plan approved by the insur-
17 er.

18 (f) If a new insured whose health care provider is not a member of the
19 insurer's in-network benefits portion of the provider network enrolls in
20 the managed care product, the insurer shall permit the insured to
21 continue [an ongoing course of treatment with] TO RECEIVE HEALTH CARE
22 PROCEDURES, TREATMENTS, AND SERVICES FROM the insured's current health
23 care provider during a transitional period of up to [sixty days] ONE
24 YEAR from the effective date of enrollment OR, if (1) the insured has a
25 [life-threatening disease or condition or a degenerative and disabling
26 disease or condition] TERMINAL ILLNESS OR CONDITION, UNTIL THE TIME OF
27 SUCH INSURED'S DEATH, or (2) the insured has entered the second trimes-
28 ter of pregnancy at the time of enrollment, in which case the transi-
29 tional period shall include the provision of post-partum care directly
30 related to the delivery. If an insured elects to continue to receive
31 care from such health care provider pursuant to this [paragraph]
32 SUBSECTION, such care shall be authorized by the insurer for the transi-
33 tional period only if the health care provider agrees (A) to accept
34 reimbursement from the insurer at rates established by the insurer as
35 payment in full, which rates shall be no more than the level of
36 reimbursement applicable to similar providers within the in-network
37 benefits portion of the insurer's network for such services; (B) to
38 adhere to the insurer's quality assurance requirements and agrees to
39 provide to the insurer necessary medical information related to such
40 care; and (C) to otherwise adhere to the insurer's policies and proce-
41 dures, including, but not limited to, procedures regarding referrals and
42 obtaining pre-authorization and a treatment plan approved by the insur-
43 er. In no event shall this subsection be construed to require an insur-
44 er to provide coverage for benefits not otherwise covered or to diminish
45 or impair pre-existing condition limitations contained within the
46 insured's contract.

47 S 3. Section 4804 of the insurance law is amended by adding two new
48 subsections (g) and (h) to read as follows:

49 (G) FOR THE PURPOSES OF THIS SECTION, THE TERM "TERMINAL ILLNESS OR
50 CONDITION" SHALL MEAN AN ILLNESS OR CONDITION WHICH, IN THE OPINION OF
51 THE PHYSICIAN OF THE PATIENT SUFFERING FROM SUCH TERMINAL ILLNESS OR
52 CONDITION, IS LIKELY TO CAUSE OR BE A MAJOR CONTRIBUTING FACTOR IN CAUS-
53 ING SUCH PATIENT'S DEATH WITHIN THREE YEARS.

54 (H) PROVIDER INCENTIVES (MONETARY OR OTHERWISE) TO A HEALTH CARE
55 PROVIDER RELATING TO PROCEDURES, TREATMENTS, OR SERVICES PURSUANT TO
56 THIS SECTION, WHICH ARE INTENDED TO HAVE THE EFFECT OF INDUCING SUCH

1 PROVIDER TO PROVIDE CARE TO AN INSURED IN A MANNER INCONSISTENT WITH
2 THIS SECTION, ARE PROHIBITED.

3 S 4. Paragraphs (e) and (f) of subdivision 6 of section 4403 of the
4 public health law, as added by chapter 705 of the laws of 1996, are
5 amended to read as follows:

6 (e) (1) If an enrollee's health care provider leaves the health main-
7 tenance organization's network of providers for reasons other than those
8 for which the provider would not be eligible to receive a hearing pursu-
9 ant to paragraph [a] (A) of subdivision two of section forty-four
10 hundred six-d of this [chapter] ARTICLE, the health maintenance organ-
11 ization shall permit the enrollee to continue [an ongoing course of
12 treatment with] TO RECEIVE HEALTH CARE PROCEDURES, TREATMENTS, AND
13 SERVICES FROM the enrollee's current health care provider during a tran-
14 sitional period of (i) up to [ninety days] ONE YEAR from the date of
15 notice to the enrollee of the provider's disaffiliation from the organ-
16 ization's network[;] or (ii) if the enrollee has entered the second
17 trimester of pregnancy at the time of the provider's disaffiliation, for
18 a transitional period that includes the provision of post-partum care
19 directly related to the delivery, OR (III) IF THE ENROLLEE HAS A TERMI-
20 NAL ILLNESS OR CONDITION, UNTIL THE TIME OF SUCH ENROLLEE'S DEATH.

21 (2) Notwithstanding the provisions of subparagraph one of this para-
22 graph, such care shall be authorized by the health maintenance organiza-
23 tion during the transitional period only if the health care provider
24 agrees (i) to continue to accept reimbursement from the health mainte-
25 nance organization at the rates applicable prior to the start of the
26 transitional period as payment in full; (ii) to adhere to the organiza-
27 tion's quality assurance requirements and to provide to the organization
28 necessary medical information related to such care; and (iii) to other-
29 wise adhere to the organization's policies and procedures, including,
30 but not limited to, procedures regarding referrals and obtaining pre-au-
31 thorization and a treatment plan approved by the organization.

32 (f) If a new enrollee whose health care provider is not a member of
33 the health maintenance organization's provider network enrolls in the
34 health maintenance organization, the organization shall permit the
35 enrollee to continue [an ongoing course of treatment with] TO RECEIVE
36 HEALTH CARE PROCEDURES, TREATMENTS, AND SERVICES FROM the enrollee's
37 current health care provider during a transitional period of up to
38 [sixty days] ONE YEAR from the effective date of enrollment, OR if (i)
39 the enrollee has a [life-threatening disease or condition or a degenera-
40 tive and disabling disease or condition] TERMINAL ILLNESS OR CONDITION,
41 UNTIL THE TIME OF SUCH ENROLLEE'S DEATH, or (ii) the enrollee has
42 entered the second trimester of pregnancy at the effective date of
43 enrollment, in which case the transitional period shall include the
44 provision of post-partum care directly related to the delivery. If an
45 enrollee elects to continue to receive care from such health care
46 provider pursuant to this paragraph, such care shall be authorized by
47 the health maintenance organization for the transitional period only if
48 the health care provider agrees (A) to accept reimbursement from the
49 health maintenance organization at rates established by the health main-
50 tenance organization as payment in full, which rates shall be no more
51 than the level of reimbursement applicable to similar providers within
52 the health maintenance organization's network for such services; (B) to
53 adhere to the organization's quality assurance requirements and agrees
54 to provide to the organization necessary medical information related to
55 such care; and (C) to otherwise adhere to the organization's policies
56 and procedures, including, but not limited to, procedures regarding

1 referrals and obtaining pre-authorization and a treatment plan approved
2 by the organization. In no event shall this paragraph be construed to
3 require a health maintenance organization to provide coverage for bene-
4 fits not otherwise covered or to diminish or impair pre-existing condi-
5 tion limitations contained within the subscriber's contract.

6 S 5. Section 4403 of the public health law is amended by adding two
7 new subdivisions 9 and 10 to read as follows:

8 9. FOR THE PURPOSES OF THIS SECTION, "TERMINAL ILLNESS OR CONDITION"
9 SHALL MEAN AN ILLNESS OR CONDITION WHICH, IN THE OPINION OF THE PHYSI-
10 CIAN OF THE PATIENT SUFFERING FROM SUCH TERMINAL ILLNESS OR CONDITION,
11 IS LIKELY TO CAUSE OR BE A MAJOR CONTRIBUTING FACTOR IN CAUSING SUCH
12 PATIENT'S DEATH WITHIN THREE YEARS.

13 10. PROVIDER INCENTIVES (MONETARY OR OTHERWISE) TO A HEALTH CARE
14 PROVIDER RELATING TO PROCEDURES, TREATMENTS, OR SERVICES PROVIDED PURSU-
15 ANT TO THIS SECTION, WHICH ARE INTENDED TO INDUCE OR HAVE THE EFFECT OF
16 INDUCING SUCH PROVIDER TO PROVIDE CARE TO AN ENROLLEE IN A MANNER INCON-
17 SISTENT WITH THIS SECTION, ARE PROHIBITED.

18 S 6. Subdivision 5 of section 4406-d of the public health law, as
19 added by chapter 705 of the laws of 1996, is amended to read as follows:

20 5. No health care plan shall terminate a contract or employment, or
21 refuse to renew a contract, solely because a health care provider has:

- 22 (a) advocated on behalf of an enrollee;
- 23 (b) filed a complaint against the health care plan;
- 24 (c) appealed a decision of the health care plan;
- 25 (d) provided information or filed a report pursuant to section forty-
26 four hundred six-c of this article; [or]
- 27 (e) requested a hearing or review pursuant to this section; OR
- 28 (F) RENDERED AN OPINION REGARDING WHETHER A PATIENT'S ILLNESS IS
29 TERMINAL PURSUANT TO SECTION FORTY-FOUR HUNDRED THREE OF THIS ARTICLE.

30 S 7. This act shall take effect on the one hundred twentieth day after
31 it shall have become a law and shall apply to all contracts issued,
32 renewed, modified or amended on and after such date.