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2015-2016 Regular Sessions

I N S E N A T E

(PREFILED)

January 7, 2015

Introduced by Sen. VALESKY -- read twice and ordered printed, and when printed to be committed to the Committee on Insurance

AN ACT to amend the insurance law and the public health law, in relation to provider credentialing

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

1 Section 1. Subsection (a) of section 4803 of the insurance law is
2 amended by adding a new paragraph 3 to read as follows:
3 (3) A NEWLY-LICENSED PHYSICIAN, A PHYSICIAN WHO HAS RECENTLY RELOCATED
4 TO THIS STATE FROM ANOTHER STATE AND HAS NOT PREVIOUSLY PRACTICED IN
5 THIS STATE, OR A PHYSICIAN WHO HAS CHANGED HIS OR HER CORPORATE
6 RELATIONSHIP SUCH THAT IT RESULTS IN THE ISSUANCE OF A NEW TAX IDENTIFI-
7 CATION NUMBER UNDER WHICH SUCH PHYSICIAN'S SERVICES ARE BILLED FOR, WHO
8 IS EMPLOYED BY A GENERAL HOSPITAL LICENSED PURSUANT TO ARTICLE
9 TWENTY-EIGHT OF THE PUBLIC HEALTH LAW, AND WHOSE OTHER EMPLOYED PHYSI-
10 CIANS PARTICIPATE IN THE IN-NETWORK PORTION OF AN INSURER'S NETWORK,
11 SHALL BE DEEMED "PROVISIONALLY CREDENTIALLED" AND MAY PARTICIPATE IN THE
12 IN-NETWORK PORTION OF AN INSURER'S NETWORK UPON : (I) THE INSURER'S
13 RECEIPT OF THE HOSPITAL AND PHYSICIAN'S COMPLETED SECTIONS OF THE INSUR-
14 ER'S CREDENTIALING APPLICATION; AND (II) THE INSURER BEING NOTIFIED IN
15 WRITING THAT THE HEALTH CARE PROFESSIONAL HAS BEEN GRANTED HOSPITAL
16 PRIVILEGES PURSUANT TO THEIR REQUIREMENTS OF SECTION TWENTY-EIGHT
17 HUNDRED FIVE-K OF THE PUBLIC HEALTH LAW. HOWEVER, A PROVISIONALLY
18 CREDENTIALLED PHYSICIAN SHALL NOT BE DESIGNATED AS AN INSURED'S PRIMARY
19 CARE PHYSICIAN UNTIL SUCH TIME AS THE PHYSICIAN HAS BEEN FULLY CREDEN-
20 TIALED BY THE INSURER. AN INSURER SHALL NOT BE REQUIRED TO MAKE ANY
21 PAYMENTS TO THE LICENSED GENERAL HOSPITAL FOR SERVICES PROVIDED BY A
22 PROVISIONALLY CREDENTIALLED PHYSICIAN, UNTIL AND UNLESS THE PHYSICIAN IS
23 FULLY CREDENTIALLED BY THE INSURER, PROVIDED, HOWEVER, THAT UPON BEING
24 FULLY CREDENTIALLED, THE LICENSED GENERAL HOSPITAL SHALL BE PAID FOR ALL

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

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1 SERVICES THAT THE CREDENTIALLED PHYSICIAN PROVIDED TO THE INSURER'S
2 INSURED FROM THE DATE THE PHYSICIAN FULLY MET THE REQUIREMENTS TO BE
3 PROVISIONALLY CREDENTIALLED PURSUANT TO THIS PARAGRAPH. SHOULD THE APPLI-
4 CATION ULTIMATELY BE DENIED BY THE INSURER, THE INSURER SHALL NOT BE
5 LIABLE FOR ANY PAYMENT TO THE LICENSED GENERAL HOSPITAL FOR THE SERVICES
6 PROVIDED BY THE PROVISIONALLY CREDENTIALLED HEALTH CARE PROFESSIONAL THAT
7 EXCEED ANY OUT-OF-NETWORK BENEFITS PAYABLE UNDER THE INSURED'S CONTRACT
8 WITH THE INSURER; AND THE LICENSED GENERAL HOSPITAL SHALL NOT PURSUE
9 REIMBURSEMENT FROM THE INSURED, EXCEPT TO COLLECT THE COPAYMENT OR COIN-
10 SURANCE THAT OTHERWISE WOULD HAVE BEEN PAYABLE HAD THE INSURED RECEIVED
11 SERVICES FROM A HEALTH CARE PROFESSIONAL PARTICIPATING IN THE IN-NETWORK
12 PORTION OF AN INSURER'S NETWORK.

13 S 2. Subdivision 1 of section 4406-d of the public health law is
14 amended by adding a new paragraph (c) to read as follows:

15 (C) A NEWLY-LICENSED PHYSICIAN, A PHYSICIAN WHO HAS RECENTLY RELOCATED
16 TO THIS STATE FROM ANOTHER STATE AND HAS NOT PREVIOUSLY PRACTICED IN
17 THIS STATE, OR A PHYSICIAN WHO HAS CHANGED HIS OR HER CORPORATE
18 RELATIONSHIP SUCH THAT IT RESULTS IN THE ISSUANCE OF A NEW TAX IDENTIFI-
19 CATION NUMBER UNDER WHICH SUCH PHYSICIAN'S SERVICES ARE BILLED FOR, WHO
20 IS EMPLOYED BY A GENERAL HOSPITAL LICENSED PURSUANT TO ARTICLE
21 TWENTY-EIGHT OF THIS CHAPTER, AND WHOSE OTHER EMPLOYED PHYSICIANS
22 PARTICIPATE IN THE IN-NETWORK PORTION OF A HEALTH CARE PLAN'S NETWORK,
23 SHALL BE DEEMED "PROVISIONALLY CREDENTIALLED" AND MAY PARTICIPATE IN THE
24 IN-NETWORK PORTION OF A HEALTH CARE PLAN'S NETWORK UPON: (I) THE PLAN'S
25 RECEIPT OF THE HOSPITAL AND PHYSICIAN'S COMPLETED SECTION OF THE PLAN'S
26 CREDENTIALING APPLICATION; AND (II) THE HEALTH CARE PLAN BEING NOTIFIED
27 IN WRITING THAT THE HEALTH CARE PROFESSIONAL HAS BEEN GRANTED HOSPITAL
28 PRIVILEGE PURSUANT TO THE REQUIREMENTS OF SECTION TWENTY-EIGHT HUNDRED
29 FIVE-K OF THIS CHAPTER. HOWEVER, A PROVISIONALLY CREDENTIALLED PHYSICIAN
30 SHALL NOT BE DESIGNATED AS AN ENROLLEE'S PRIMARY CARE PHYSICIAN UNTIL
31 SUCH TIME AS THE PHYSICIAN HAS BEEN FULLY CREDENTIALLED BY THE HEALTH
32 CARE PLAN. A HEALTH CARE PLAN SHALL NOT BE REQUIRED TO MAKE ANY PAYMENTS
33 TO THE LICENSED GENERAL HOSPITAL FOR SERVICES PROVIDED BY A PROVI-
34 SIONALLY CREDENTIALLED PHYSICIAN, UNTIL AND UNLESS THE PHYSICIAN IS FULLY
35 CREDENTIALLED BY THE HEALTH CARE PLAN, PROVIDED HOWEVER THAT UPON BEING
36 FULLY CREDENTIALLED, THE LICENSED GENERAL HOSPITAL SHALL BE PAID FOR ALL
37 SERVICES THAT THE CREDENTIALLED PHYSICIAN PROVIDED TO THE HEALTH PLAN'S
38 ENROLLEES FROM THE DATE THE PHYSICIAN FULLY MET THE REQUIREMENTS TO BE
39 PROVISIONALLY CREDENTIALLED PURSUANT TO THIS PARAGRAPH. SHOULD THE APPLI-
40 CATION ULTIMATELY BE DENIED BY THE HEALTH CARE PLAN, THE HEALTH CARE
41 PLAN SHALL NOT BE LIABLE FOR ANY PAYMENT TO THE LICENSED GENERAL HOSPI-
42 TAL FOR THE SERVICES PROVIDED BY THE PROVISIONALLY CREDENTIALLED HEALTH
43 CARE PROFESSIONAL THAT EXCEED ANY OUT-OF-NETWORK BENEFITS PAYABLE UNDER
44 THE ENROLLEE'S CONTRACT WITH THE HEALTH CARE PLAN AND THE LICENSED
45 GENERAL HOSPITAL SHALL NOT PURSUE REIMBURSEMENT FROM THE ENROLLEE,
46 EXCEPT TO COLLECT THE COPAYMENT OR COINSURANCE THAT OTHERWISE WOULD HAVE
47 BEEN PAYABLE HAD THE ENROLLEE RECEIVED SERVICES FROM A HEALTH CARE
48 PROFESSIONAL PARTICIPATING IN THE IN-NETWORK PORTION OF AN INSURER'S
49 NETWORK.

50 S 3. This act shall take effect on the ninetieth day after it shall
51 have become a law, and shall apply to applications submitted on or after
52 such date and shall not apply to applications submitted prior to such
53 date if such application is resubmitted in substantially similar form on
54 or after the effective date of this act.