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

720

2015-2016 Regular Sessions

I N S E N A T E

(PREFILED)

January 7, 2015

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

AN ACT to amend the insurance law, in relation to insurer recovery from health care providers

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

Section 1. Subsection (b) of section 3224-b of the insurance law is amended by adding two new paragraphs 6 and 7 to read as follows:

(6) A HEALTH PLAN SHALL NOT DETERMINE AN OVERPAYMENT AMOUNT THROUGH THE USE OF EXTRAPOLATION EXCEPT WITH THE CONSENT OF THE HEALTH CARE PROVIDER, EXCEPT WHERE THERE IS A REASONABLE BELIEF OF FRAUD OR INTENTIONAL MISCONDUCT.

(7) A HEALTH CARE PLAN MAY NOT THREATEN TO SANCTION A HEALTH CARE PROVIDER INCLUDING A REPORT TO A RELEVANT DISCIPLINARY BODY AS A RESULT OF A HEALTH CARE PROVIDER CHALLENGING AN ALLEGED OVERPAYMENT EXCEPT WHERE THERE IS A REASONABLE BELIEF OF FRAUD OR INTENTIONAL MISCONDUCT. A HEALTH CARE PLAN FOUND TO HAVE VIOLATED THIS PARAGRAPH SHALL BE SUBJECT TO A FINE OF FIFTY THOUSAND DOLLARS PER VIOLATION.

S 2. This act shall take effect immediately.

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

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