STATE OF NEW YORK

3660--A

2017-2018 Regular Sessions

IN SENATE

January 25, 2017

Introduced by Sens. GRIFFO, AMEDORE, HELMING, LITTLE, MARCHIONE, O'MARA, RITCHIE, TEDISCO, VALESKY -- read twice and ordered printed, and when printed to be committed to the Committee on Insurance -- recommitted to the Committee on Insurance in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT authorizing municipalities to join a county self-funded or self-insured health plan

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Notwithstanding articles 44 or 47 of the insurance law or any other provision of law to the contrary, and subject to the requirements set forth in this section, a municipality is permitted, with the consent of the county and the governing body of such municipality, to join a county self-funded or self-insured health plan in any county in which such municipality is located in whole or in part. Municipality is defined as any city, town, village or any other municipal corporation, a school district or any governmental entity operating a public school, college or university, a public improvement or special district, a public authority, commission, or public benefit corporation, or any other public corporation, agency or instrumentality or unit of government which exercises governmental powers under the laws of the state but is not a part of, nor a department of, nor an agency of the state. In order for a municipality to join the county self-funded or self-insured health plan, the county shall file with the superintendent of financial services certification that, with inclusion of the lives to be covered in the plan following admission of the municipality, the county self-funded or self-insured health plan meets the following four requirements:

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

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(a) That it maintain a reserve fund, calculated as a percentage of total annual incurred claims, of a minimum of 13% and a maximum of 15% of medical claims and a minimum of 4% of prescription claims.

(b) It has in effect a specific stop loss per individual claim only, no aggregate, and with a minimum deductible of $200,000 to $250,000.

(c) It has a minimum of 1,000 covered lives including retirees, but not including dependents.

(d) The plan has in effect an agreement between itself and any municipalities that have joined the plan such that the plan satisfies the contingent liability provisions set forth in section 4708 of the insurance law.

The superintendent of financial services shall have the authority to review such certification to determine that the four aforementioned requirements have been met; provided, however, that in the absence of a finding of the superintendent to the contrary within a six-month period following the filing of such certification, the admission of the municipality to the county self-funded or self-insured health plan shall take effect. In January of every year following the initial filing of such certification, the county shall file a subsequent certification that the four aforementioned requirements remain in full force and effect.

§ 2. This act shall take effect immediately.