

STATE OF NEW YORK

1885

2017-2018 Regular Sessions

IN ASSEMBLY

January 13, 2017

Introduced by M. of A. ABINANTI -- read once and referred to the Committee on Insurance

AN ACT to amend the insurance law, in relation to third party notification of the renewal, modification, or cancellation of a senior citizen's health insurance policy

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

1 Section 1. Subsection (f) of section 3111 of the insurance law, as
2 relettered by section 30 of part B of chapter 58 of the laws of 2004, is
3 relettered subsection (g) and a new subsection (f) is added to read as
4 follows:

5 (f) Every insurer that has in force any policy of insurance subject to
6 the provisions of article thirty-two or forty-three of this chapter
7 shall permit senior citizen insureds to designate a third party to whom
8 the insurer shall transmit notices of cancellation, nonrenewal, modifi-
9 cation, non-payment, and conditional renewal. The senior citizen insured
10 shall notify the insurer that a third party has been so designated. Such
11 notification shall be delivered to the insurer by certified mail, return
12 receipt requested, and shall be effective not later than ten business
13 days from the date of receipt by the insurer. The notification must
14 contain, in writing, an acceptance by the third party designee to
15 receive such notices from the insurer. Should the third party designee
16 desire to terminate his or her status as a third party designee, such
17 designee shall provide written notice to both the insurer and the senior
18 citizen insured. Should the senior citizen insured desire to terminate
19 the third party designation, the insured shall provide written notice to
20 the insurer. The transmission to the third party designee of any notice
21 shall be in addition to a copy of such document transmitted to the
22 senior citizen insured and when a third party is so designated all such
23 notices shall be mailed in an envelope clearly marked on its face with
24 the following: "IMPORTANT INSURANCE POLICY INFORMATION: OPEN IMMEDIATE-

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

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1 LY". Designation as a third party shall not constitute acceptance of any
2 liability on the third party for services provided to such senior citi-
3 zen. On January first of each year, the insurer shall notify its senior
4 citizen insureds in writing of the availability of the third party
5 designee notice procedure and provide information on how the insured can
6 commence this procedure; however, such notice need not be provided once
7 a senior citizen has made a designation.

8 § 2. This act shall take effect on the first of January next succeed-
9 ing the date on which it shall have become a law.