

# STATE OF NEW YORK

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3660--A

2017-2018 Regular Sessions

## IN SENATE

January 25, 2017

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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:

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

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

LBD07657-03-8

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

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

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

8 (d) The plan has in effect an agreement between itself and any munici-  
9 palities that have joined the plan such that the plan satisfies the  
10 contingent liability provisions set forth in section 4708 of the insur-  
11 ance law.

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

21 § 2. This act shall take effect immediately.