

# STATE OF NEW YORK

8639

2019-2020 Regular Sessions

## IN ASSEMBLY

October 2, 2019

Introduced by M. of A. GOTTFRIED -- read once and referred to the  
Committee on Health

AN ACT to amend the public health law, in relation to standardized consolidated itemized general hospital bills (Part A); to amend the public health law, in relation to regulation of the billing of facility fees (Part B); to amend the public health law, in relation to standardized patient financial liability forms (Part C); to amend the public health law, in relation to an all payer database (Part D); to amend the public health law, in relation to the general hospital indigent care pool; and to repeal certain provisions of such law relating thereto (Part E); to amend the civil practice law and rules, in relation to the commencement of medical debt actions (Part F); and to amend the financial services law, in relation to services rendered by a non-participating provider; to amend the public health law, in relation to hospital statements of rights and responsibilities of patients; to amend the financial services law, in relation to dispute resolution for emergency services; and to amend the financial services law and the insurance law, in relation to health insurance benefits (Part G)

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

1 Section 1. Short title. This act shall be known and may be cited as  
2 the "patient medical debt protection act".  
3 § 2. This act enacts into law major components of legislation which  
4 relate to patient medical debt protection. Each component is wholly  
5 contained within a Part identified as Parts A through G. The effective  
6 date for each particular provision contained within such Part is set  
7 forth in the last section of such Part. Any provision in any section  
8 contained within a Part, including the effective date of the Part, which  
9 makes reference to a section "of this act", when used in connection with  
10 that particular component, shall be deemed to mean and refer to the

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

LBD13193-05-9

1 corresponding section of the Part in which it is found. Section four of  
2 this act sets forth the general effective date of this act.

3 PART A

4 Section 1. The public health law is amended by adding a new section  
5 2827 to read as follows:

6 § 2827. Standardized consolidated itemized general hospital bills. 1.  
7 After a patient's discharge or release from a general hospital licensed  
8 under this article, the facility shall provide to the patient or to the  
9 patient's survivor or legal guardian, as appropriate, a consolidated  
10 itemized statement or a bill detailing in plain language, comprehensible  
11 to an ordinary layperson, the specific nature of charges or expenses  
12 incurred by the patient. The consolidated itemized statement, developed  
13 by the commissioner in consultation with the superintendent of financial  
14 services, shall detail all services provided to the patient during the  
15 hospitalization, including all professional services administered. A  
16 provider with any financial or contractual relationship with the facili-  
17 ty may not separately bill the patient or the patient's survivor or  
18 legal guardian. The initial statement or bill shall be provided no more  
19 than seven days after the patient's discharge or release, or after a  
20 request for such statement or bill, whichever is earlier. The initial  
21 statement or bill shall contain a statement of specific services  
22 received and expenses incurred by date and provider for such items of  
23 service, enumerating in detail the constituent components of the  
24 services received within each department of the facility and including  
25 unit price data on rates charged by the facility. The statement or bill  
26 shall identify each item as paid, assigned to a third party payer, or  
27 expected payment by the patient, and shall include the amount due, if  
28 applicable. If an amount is due from the patient, a due date for such  
29 amount shall be included.

30 2. Any subsequent statement or bill provided to a patient or to the  
31 patient's survivor or legal guardian, as appropriate, relating to the  
32 episode of care must include all of the information required by subdivi-  
33 sion one of this section, with any clearly delineated revisions.

34 3. Each consolidated itemized statement or bill provided pursuant to  
35 this section shall:

36 (a) include the services provided by hospital-based physicians and  
37 other health care providers who may not bill separately.

38 (b) not include any generalized category of expenses such as "other"  
39 or "miscellaneous" or similar categories.

40 (c) list drugs by brand or generic name and not refer to drug code  
41 numbers when referring to any drugs.

42 (d) specifically identify physical, rehabilitative, occupational, or  
43 speech therapy treatment by date, type, and length of treatment when  
44 such treatment is a part of the statement or bill. Providers of such  
45 services shall not produce separate bills.

46 (e) prominently display the telephone number of the facility's patient  
47 liaison responsible for expediting the resolution of any billing dispute  
48 between the patient, or the patient's survivor or legal guardian, and  
49 the billing department.

50 4. Each facility shall establish policies and procedures for reviewing  
51 and responding to questions from patients concerning such patient's  
52 consolidated itemized statement or bill. Such response shall be provided  
53 no more than seven business days after the date a question is received.  
54 If the patient is not satisfied with the response, the facility shall

1 provide the patient with the contact information of the agency to which  
2 the issue shall be sent for review.

3 § 2. This act shall take effect on the one hundred eightieth day after  
4 it shall have become a law.

5 PART B

6 Section 1. The public health law is amended by adding a new section  
7 2827-a to read as follows:

8 § 2827-a. Regulation of the billing of facility fees. 1. For purposes  
9 of this section "facility fee" means any fee charged or billed by a  
10 hospital under this article other than a residential health care facili-  
11 ty, or by a health care professional authorized under title eight of the  
12 education law that is: (a) intended to compensate the facility, or  
13 health care professional for the operational expenses; and (b) separate  
14 and distinct from a professional fee.

15 2. No hospital licensed under this article other than a residential  
16 health care facility or health care professional authorized under title  
17 eight of the education law shall bill or seek payment from a patient for  
18 a facility fee related to the provision of preventive care service as  
19 defined by the United States Preventive Services Task Force.

20 3. No hospital licensed under this article other than a residential  
21 health care facility or health care professional authorized under title  
22 eight of the education law shall bill or seek payment from a patient for  
23 a facility fee that is not covered by the patient's health insurance  
24 carrier.

25 § 2. This act shall take effect immediately.

26 PART C

27 Section 1. The public health law is amended by adding a new section  
28 2827-b to read as follows:

29 § 2827-b. Standardized patient financial liability forms. 1. All  
30 hospitals licensed under this article and health care professionals  
31 authorized under title eight of the education law shall be required to  
32 use the uniform patient financial liability form developed by the  
33 commissioner, in consultation with the commissioner of education. The  
34 standardized form shall disclose to the patient whether their care is  
35 in-network or out-of-network, whether the care is a covered benefit  
36 under the patient insurance contract, the exact nature and amount of the  
37 patient's projected financial liability and shall specifically indicate  
38 the exact amount of personal financial liability to be undertaken by the  
39 patient. In no event shall a patient be financially liable for undis-  
40 closed bills or any bills related to services provided by a provider who  
41 failed to ascertain that he or she was in the patient's health plan  
42 network. The commissioner shall develop the uniform financial liability  
43 form within six months of the effective date of a chapter of the laws of  
44 two thousand nineteen that added this section, and it shall be adopted  
45 by all hospitals and health care professionals within thirty days of the  
46 issuance of such form by the commissioner.

47 § 2. This act shall take effect immediately. Effective immediately,  
48 the addition, amendment and/or repeal of any rule or regulation neces-  
49 sary for the implementation of this act on its effective date are  
50 authorized to be made and completed on or before such effective date.

51 PART D

1 Section 1. Subdivision 18-a of section 206 of the public health law is  
2 amended by adding a new paragraph (e) to read as follows:

3 (e)(i) The commissioner shall ensure that the New York state all payer  
4 database shall serve the interests of New York's health care consumers.

5 (ii) All hospitals licensed under article twenty-eight of this chapter  
6 and health care professionals authorized under title eight of the educa-  
7 tion law shall be required to participate in the all payer database  
8 through their insurance carrier contracts, which in no event shall be  
9 deemed proprietary information for the purposes of submitting data to  
10 the all payer database.

11 § 2. This act shall take effect immediately.

12 PART E

13 Section 1. Subdivisions 9 and 9-a of section 2807-k of the public  
14 health law, subdivision 9 as amended by section 17 of part B of chapter  
15 60 of the laws of 2014, subdivision 9-a as added by section 39-a of part  
16 A of chapter 57 of the laws of 2006 and paragraph (k) of subdivision 9-a  
17 as added by section 43 of part B of chapter 58 of the laws of 2008, are  
18 amended to read as follows:

19 9. In order for a general hospital to participate in the distribution  
20 of funds from the pool, the general hospital must only implement minimum  
21 collection policies and procedures [~~approved~~] provided by the commis-  
22 sioner.

23 9-a. (a) As a condition for participation in pool distributions  
24 authorized pursuant to this section and section twenty-eight hundred  
25 seven-w of this article for periods on and after January first, two  
26 thousand nine, general hospitals shall, effective for periods on and  
27 after January first, two thousand [~~seven, establish~~] twenty-one, adopt  
28 and implement the uniform financial [~~aid policies and procedures, in~~  
29 ~~accordance with the provisions of this subdivision~~] assistance form  
30 policy, to be developed and issued by the commissioner no later than one  
31 hundred eighty days after the effective date of a chapter of the laws of  
32 two thousand nineteen that amended this subdivision. No later than thir-  
33 ty days of the issuance of the uniform financial assistance form and  
34 policy, general hospitals shall implement such form and policy, for  
35 reducing hospital charges and charges for physicians who work in the  
36 hospital otherwise applicable to low-income individuals without health  
37 insurance, or who have [~~exhausted their~~] health insurance [~~benefits~~]  
38 that does not cover or limits coverage of the service, and who can  
39 demonstrate an inability to pay full charges, and also, at the hospi-  
40 tal's discretion, for reducing or discounting the collection of co-pays  
41 and deductible payments from those individuals who can demonstrate an  
42 inability to pay such amounts. Immigration status shall not be an eligi-  
43 bility criterion. General hospitals shall use the New York state of  
44 health marketplace eligibility determination page to establish the  
45 patient's household income and residency in lieu of the financial appli-  
46 cation form, provided they have secured the consent of the patient. A  
47 general hospital shall not require a patient to apply for coverage  
48 through the New York state of health marketplace in order to receive  
49 care or financial assistance.

50 (b) Such reductions from charges for uninsured patients with incomes  
51 below at least [~~three~~] four hundred percent of the federal poverty level  
52 shall result in a charge to such individuals that does not exceed [~~the~~  
53 ~~greater of~~] the amount that would have been paid for the same services  
54 [~~by the "highest volume payer" for such general hospital as defined in~~

~~subparagraph (v) of this paragraph, or for services provided pursuant to title XVIII of the federal social security act (medicare), or for services~~ provided pursuant to title XIX of the federal social security act (medicaid), and provided further that such amounts shall be adjusted according to income level as follows:

(i) For patients with incomes at or below at least ~~[one]~~ two hundred percent of the federal poverty level, the hospital shall collect no more than a nominal payment amount, consistent with guidelines established by the commissioner;

(ii) For patients with incomes between at least ~~[one]~~ two hundred one percent and ~~[one]~~ four hundred ~~[fifty]~~ percent of the federal poverty level, the hospital shall collect no more than the amount identified after application of a proportional sliding fee schedule under which patients with lower incomes shall pay the lowest amount. Such schedule shall provide that the amount the hospital may collect for such patients increases from the nominal amount described in subparagraph (i) of this paragraph in equal increments as the income of the patient increases, up to a maximum of twenty percent of the greater of the amount that would have been paid for the same services ~~[by the "highest volume payor" for such general hospital, as defined in subparagraph (v) of this paragraph, or for services provided pursuant to title XVIII of the federal social security act (medicare) or for services]~~ provided pursuant to title XIX of the federal social security act (medicaid);

~~(iii) [For patients with incomes between at least one hundred fifty-one percent and two hundred fifty percent of the federal poverty level, the hospital shall collect no more than the amount identified after application of a proportional sliding fee schedule under which patients with lower income shall pay the lowest amounts. Such schedule shall provide that the amount the hospital may collect for such patients increases from the twenty percent figure described in subparagraph (ii) of this paragraph in equal increments as the income of the patient increases, up to a maximum of the greater of the amount that would have been paid for the same services by the "highest volume payor" for such general hospital, as defined in subparagraph (v) of this paragraph, or for services provided pursuant to title XVIII of the federal social security act (medicare) or for services provided pursuant to title XIX of the federal social security act (medicaid); and~~

~~(iv)]~~ For patients with incomes ~~[between at least two hundred fifty-one percent and three hundred]~~ above four hundred one percent of the federal poverty level, the hospital shall collect no more than the greater of the amount that would have been paid for the same services ~~[by the "highest volume payor" for such general hospital as defined in subparagraph (v) of this paragraph, or for services provided pursuant to title XVIII of the federal social security act (medicare), or for services]~~ provided pursuant to title XIX of the federal social security act (medicaid)~~[-]; and~~

~~[(v) For the purposes of this paragraph, "highest volume payor" shall mean the insurer, corporation or organization licensed, organized or certified pursuant to article thirty-two, forty-two or forty-three of the insurance law or article forty-four of this chapter, or other third-party payor, which has a contract or agreement to pay claims for services provided by the general hospital and incurred the highest volume of claims in the previous calendar year.~~

~~(vi) A hospital may implement policies and procedures to permit, but not require, consideration on a case-by-case basis of exceptions to the requirements described in subparagraphs (i) and (ii) of this paragraph~~

1 ~~based upon the existence of significant assets owned by the patient that~~  
2 ~~should be taken into account in determining the appropriate payment~~  
3 ~~amount for that patient's care, provided, however, that such proposed~~  
4 ~~policies and procedures shall be subject to the prior review and~~  
5 ~~approval of the commissioner and, if approved, shall be included in the~~  
6 ~~hospital's financial assistance policy established pursuant to this~~  
7 ~~section, and provided further that, if such approval is granted, the~~  
8 ~~maximum amount that may be collected shall not exceed the greater of the~~  
9 ~~amount that would have been paid for the same services by the "highest~~  
10 ~~volume payor" for such general hospital as defined in subparagraph (v)~~  
11 ~~of this paragraph, or for services provided pursuant to title XVIII of~~  
12 ~~the federal social security act (medicare), or for services provided~~  
13 ~~pursuant to title XIX of the federal social security act (medicaid). In~~  
14 ~~the event that a general hospital reviews a patient's assets in deter-~~  
15 ~~mining payment adjustments such policies and procedures shall not~~  
16 ~~consider as assets a patient's primary residence, assets held in a tax-~~  
17 ~~deferred or comparable retirement savings account, college savings~~  
18 ~~accounts, or cars used regularly by a patient or immediate family~~  
19 ~~members.~~

20 (vii) (iv) Nothing in this paragraph shall be construed to limit a  
21 hospital's ability to establish patient eligibility for payment  
22 discounts at income levels higher than those specified herein and/or to  
23 provide greater payment discounts for eligible patients than those  
24 required by this paragraph.

25 (c) [~~Such policies and procedures shall be clear, understandable, in~~  
26 ~~writing and publicly available in summary form and each~~] Each general  
27 hospital participating in the pool shall ensure that every patient is  
28 made aware of the existence of such [~~policies and procedures~~] uniform  
29 financial assistance form and policy and is provided, in a timely  
30 manner, with a [~~summary~~] copy of such [~~policies and procedures~~] form and  
31 policy upon request. [~~Any summary provided to patients shall, at a mini-~~  
32 ~~imum, include specific information as to income levels used to determine~~  
33 ~~eligibility for assistance, a description of the primary service area of~~  
34 ~~the hospital and the means of applying for assistance. For general~~  
35 General hospitals with twenty-four hour emergency departments, [~~such~~  
36 ~~policies and procedures~~] shall require the notification of patients  
37 during the intake and registration process, through the conspicuous  
38 posting of language-appropriate information in the general hospital, and  
39 information on bills and statements sent to patients, that financial  
40 [~~aid~~] assistance may be available to qualified patients and how to  
41 obtain further information. For specialty hospitals without twenty-four  
42 hour emergency departments, such notification shall take place through  
43 written materials provided to patients during the intake and registra-  
44 tion process prior to the provision of any health care services or  
45 procedures, and through information on bills and statements sent to  
46 patients, that financial [~~aid~~] assistance may be available to qualified  
47 patients and how to obtain further information. [~~Application materials~~  
48 ~~shall include a notice to patients that upon submission of a completed~~  
49 ~~application, including any information or documentation needed to deter-~~  
50 ~~mine the patient's eligibility pursuant to the hospital's financial~~  
51 ~~assistance policy, the patient may disregard any bills until the hospi-~~  
52 ~~tal has rendered a decision on the application in accordance with this~~  
53 ~~paragraph~~] General hospitals shall post the uniform financial assistance  
54 application form and policy in a conspicuous location on the general  
55 hospital's website. The commissioner shall likewise post the uniform

1 financial assistance form and policy on the department's hospital  
2 profile page related to the general hospital's or any successor website.

3 (d) The commissioner shall provide application materials to general  
4 hospitals, including the uniform financial assistance application form  
5 and policy. These application materials shall include a notice to  
6 patients that upon submission of a completed application form, the  
7 patient may disregard any bills until the general hospital has rendered  
8 a decision on the application in accordance with this paragraph. The  
9 application materials shall include specific information as the income  
10 levels used to determine eligibility for financial assistance, a  
11 description of the primary service area of the hospital and the means to  
12 apply for assistance. Such policies and procedures shall include clear,

13 objective criteria for determining a patient's ability to pay and for  
14 providing such adjustments to payment requirements as are necessary. In  
15 addition to adjustment mechanisms such as sliding fee schedules and  
16 discounts to fixed standards, such policies and procedures shall also  
17 provide for the use of installment plans for the payment of outstanding  
18 balances by patients pursuant to the provisions of the hospital's finan-  
19 cial assistance policy. The monthly payment under such a plan shall not  
20 exceed [~~ten~~] five percent of the gross monthly income of the patient[~~,~~  
21 ~~provided, however, that if patient assets are considered under such a~~  
22 ~~policy, then patient assets which are not excluded assets pursuant to~~  
23 ~~subparagraph (vi) of paragraph (b) of this subdivision may be considered~~  
24 ~~in addition to the limit on monthly payments.] The rate of interest  
25 charged to the patient on the unpaid balance, if any, shall not exceed  
26 the [~~rate for a ninety-day security~~] federal funds rate issued by the  
27 United States Department of Treasury[~~, plus .5 percent~~] and no plan  
28 shall include an accelerator or similar clause under which a higher rate  
29 of interest is triggered upon a missed payment. [~~If such policies and~~  
30 ~~procedures] The policy shall not include a requirement of a deposit  
31 prior to non-emergent, medically-necessary care[~~, such deposit must be~~  
32 ~~included as part of any financial aid consideration]. Such policies and~~  
33 procedures shall be applied consistently to all eligible patients.~~~~

34 (e) Such policies and procedures shall permit patients to apply for  
35 assistance within at least [~~ninety~~] two hundred forty days of the date  
36 of discharge or date of service and provide at least [~~twenty~~] sixty days  
37 for patients to submit a completed application. Such policies and proce-  
38 dures may require that patients seeking payment adjustments provide  
39 [~~appropriate~~] the following financial information and documentation in  
40 support of their application[~~, provided, however, that such application~~  
41 ~~process shall not be unduly burdensome or complex] that are used by the  
42 New York state of health marketplace: pay checks or pay stubs; rent  
43 receipts; a letter from the patient's employer attesting to the  
44 patient's gross income; or, if none of the aforementioned information  
45 and documentation are available, a written self-attestation of the  
46 patient's income. General hospitals shall, upon request, assist patients  
47 in understanding the hospital's policies and procedures and in applying  
48 for payment adjustments. [~~Application forms shall be printed] The  
49 commissioner shall translate the financial assistance application form  
50 and policy into the "primary languages" of each general hospital. Each  
51 general hospital shall print and post these materials to its website in  
52 the "primary languages" of patients served by the general hospital. For  
53 the purposes of this paragraph, "primary languages" shall include any  
54 language that is either (i) used to communicate, during at least five  
55 percent of patient visits in a year, by patients who cannot speak, read,  
56 write or understand the English language at the level of proficiency~~~~

1 necessary for effective communication with health care providers, or  
2 (ii) spoken by non-English speaking individuals comprising more than one  
3 percent of the primary hospital service area population, as calculated  
4 using demographic information available from the United States Bureau of  
5 the Census, supplemented by data from school systems. Decisions regard-  
6 ing such applications shall be made within thirty days of receipt of a  
7 completed application. Such policies and procedures shall require that  
8 the hospital issue any denial/approval of such application in writing  
9 with information on how to appeal the denial and shall require the  
10 hospital to establish an appeals process under which it will evaluate  
11 the denial of an application. [~~Nothing in this subdivision shall be  
12 interpreted as prohibiting a hospital from making the availability of  
13 financial assistance contingent upon the patient first applying for  
14 coverage under title XIX of the social security act (medicaid) or another  
15 insurance program if, in the judgment of the hospital, the patient  
16 may be eligible for medicaid or another insurance program, and upon the  
17 patient's cooperation in following the hospital's financial assistance  
18 application requirements, including the provision of information needed  
19 to make a determination on the patient's application in accordance with  
20 the hospital's financial assistance policy.~~]

21 (f) Such policies and procedures shall provide that patients with  
22 incomes below [~~three~~] four hundred percent of the federal poverty level  
23 are deemed presumptively eligible for payment adjustments and shall  
24 conform to the requirements set forth in paragraph (b) of this subdivi-  
25 sion, provided, however, that nothing in this subdivision shall be  
26 interpreted as precluding hospitals from extending such payment adjust-  
27 ments to other patients, either generally or on a case-by-case basis.  
28 Such [~~policies and procedures~~] policy shall provide financial [~~aid~~]  
29 assistance for emergency hospital services, including emergency trans-  
30 fers pursuant to the federal emergency medical treatment and active  
31 labor act (42 USC 1395dd), to patients who reside in New York state and  
32 for medically necessary hospital services for patients who reside in the  
33 hospital's primary service area as determined according to criteria  
34 established by the commissioner. In developing such criteria, the  
35 commissioner shall consult with representatives of the hospital indus-  
36 try, health care consumer advocates and local public health officials.  
37 Such criteria shall be made available to the public no less than thirty  
38 days prior to the date of implementation and shall, at a minimum:

39 (i) prohibit a hospital from developing or altering its primary  
40 service area in a manner designed to avoid medically underserved commu-  
41 nities or communities with high percentages of uninsured residents;

42 (ii) ensure that every geographic area of the state is included in at  
43 least one general hospital's primary service area so that eligible  
44 patients may access care and financial assistance; and

45 (iii) require the hospital to notify the commissioner upon making any  
46 change to its primary service area, and to include a description of its  
47 primary service area in the hospital's annual implementation report  
48 filed pursuant to subdivision three of section twenty-eight hundred  
49 three-1 of this article.

50 (g) Nothing in this subdivision shall be interpreted as precluding  
51 hospitals from extending payment adjustments for medically necessary  
52 non-emergency hospital services to patients outside of the hospital's  
53 primary service area. For patients determined to be eligible for finan-  
54 cial [~~aid~~] assistance under the terms of [~~a hospital's~~] the uniform  
55 financial [~~aid~~] assistance policy, such [~~policies and procedures~~] policy  
56 shall prohibit any limitations on financial [~~aid~~] assistance for

1 services based on the medical condition of the applicant, other than  
2 typical limitations or exclusions based on medical necessity or the  
3 clinical or therapeutic benefit of a procedure or treatment.

4 (h) Such policies and procedures shall not permit the securance of a  
5 lien or forced sale or foreclosure of a patient's primary residence in  
6 order to collect an outstanding medical bill and shall require the  
7 hospital to refrain from sending an account to collection if the patient  
8 has submitted a completed application for financial [~~aid, including any~~  
9 ~~required supporting documentation~~] assistance, while the hospital deter-  
10 mines the patient's eligibility for such [~~aid~~] assistance. Such [~~poli-~~  
11 ~~cies and procedures~~] policy shall provide for written notification,  
12 which shall include notification on a patient bill, to a patient not  
13 less than thirty days prior to the referral of debts for collection and  
14 shall require that the collection agency obtain the hospital's written  
15 consent prior to commencing a legal action. Such [~~policies and proce-~~  
16 ~~dures~~] policy shall require all general hospital staff who interact with  
17 patients or have responsibility for billing and collections to be  
18 trained in such [~~policies and procedures~~] policy, and require the imple-  
19 mentation of a mechanism for the general hospital to measure its compli-  
20 ance with [~~such policies and procedures~~] the policy. Such [~~policies and~~  
21 ~~procedures~~] policy shall require that any collection agency under  
22 contract with a general hospital for the collection of debts follow the  
23 [~~hospital's~~] uniform financial assistance policy, including providing  
24 information to patients on how to apply for financial assistance where  
25 appropriate. Such [~~policies and procedures~~] policy shall prohibit  
26 collections from a patient who is determined to be eligible for medical  
27 assistance pursuant to title XIX of the federal social security act at  
28 the time services were rendered and for which services medicaid payment  
29 is available.

30 (i) Reports required to be submitted to the department by each general  
31 hospital as a condition for participation in the pools, and which  
32 contain, in accordance with applicable regulations, a certification from  
33 an independent certified public accountant or independent licensed  
34 public accountant or an attestation from a senior official of the hospi-  
35 tal that the hospital is in compliance with conditions of participation  
36 in the pools, shall also contain, for reporting periods on and after  
37 January first, two thousand seven:

38 (i) a report on hospital costs incurred and uncollected amounts in  
39 providing services to [eligible] patients [~~without insurance~~] found  
40 eligible for financial assistance, including the amount of care provided  
41 for a nominal payment amount, during the period covered by the report;

42 (ii) hospital costs incurred and uncollected amounts for deductibles  
43 and coinsurance for eligible patients with insurance or other third-par-  
44 ty payor coverage;

45 (iii) the number of patients, organized according to United States  
46 postal service zip code, who applied for financial assistance pursuant  
47 to the [~~hospital's~~] uniform financial assistance policy, and the number,  
48 organized according to United States postal service zip code, whose  
49 applications were approved and whose applications were denied;

50 (iv) the reimbursement received for indigent care from the pool estab-  
51 lished pursuant to this section;

52 (v) the amount of funds that have been expended on [~~charity care~~]  
53 financial assistance from charitable bequests made or trusts established  
54 for the purpose of providing financial assistance to patients who are  
55 eligible in accordance with the terms of such bequests or trusts;

1 (vi) for hospitals located in social services districts in which the  
2 district allows hospitals to assist patients with such applications, the  
3 number of applications for eligibility under title XIX of the social  
4 security act (medicaid) that the hospital assisted patients in complet-  
5 ing and the number denied and approved;

6 (vii) the hospital's financial losses resulting from services provided  
7 under medicaid; and

8 (viii) the number of referrals to collection agents or outside vendor  
9 court cases and liens placed on [~~the primary~~] any residences of patients  
10 through the collection process used by a hospital.

11 (j) [~~Within ninety days of the effective date of this subdivision each~~  
12 ~~hospital shall submit to the commissioner a written report on its poli-~~  
13 ~~cies and procedures for financial assistance to patients which are used~~  
14 ~~by the hospital on the effective date of this subdivision. Such report~~  
15 ~~shall include copies of its policies and procedures, including material~~  
16 ~~which is distributed to patients, and a description of the hospital's~~  
17 ~~financial aid policies and procedures. Such description shall include~~  
18 ~~the income levels of patients on which eligibility is based, the finan-~~  
19 ~~cial aid eligible patients receive and the means of calculating such~~  
20 ~~aid, and the service area, if any, used by the hospital to determine~~  
21 ~~eligibility]~~ The commissioner shall include the data collected under  
22 paragraph (i) of this subdivision in regular audits of the annual gener-  
23 al hospital institutional cost report.

24 (k) In the event it is determined by the commissioner that the state  
25 will be unable to secure all necessary federal approvals to include, as  
26 part of the state's approved state plan under title nineteen of the  
27 federal social security act, a requirement[~~, as set forth in paragraph~~  
28 ~~one of this subdivision,~~] that compliance with this subdivision is a  
29 condition of participation in pool distributions authorized pursuant to  
30 this section and section twenty-eight hundred seven-w of this article,  
31 then such condition of participation shall be deemed null and void and,  
32 notwithstanding section twelve of this chapter, failure to comply with  
33 the provisions of this subdivision by a hospital on and after the date  
34 of such determination shall make such hospital liable for a civil penal-  
35 ty not to exceed ten thousand dollars for each such violation. The impo-  
36 sition of such civil penalties shall be subject to the provisions of  
37 section twelve-a of this chapter.

38 § 2. Subdivision 14 of section 2807-k of the public health law is  
39 REPEALED and subdivisions 15, 16 and 17 are renumbered subdivisions 14,  
40 15 and 16.

41 § 3. This act shall take effect immediately.

42 PART F

43 Section 1. The civil practice law and rules is amended by adding a new  
44 section 213-d to read as follows:

45 § 213-d. Actions to be commenced within two years; medical debt. An  
46 action on a medical debt by a hospital licensed under article twenty-  
47 eight of the public health law or a health care professional authorized  
48 under title eight of the education law shall be commenced within two  
49 years of treatment and no determination of a debt or award of debt may  
50 be based upon a service having occurred more than two years before the  
51 action is commenced.

52 § 2. Section 5004 of the civil practice law and rules, as amended by  
53 chapter 258 of the laws of 1981, is amended to read as follows:

1 § 5004. Rate of interest. Interest shall be at the rate of nine per  
 2 centum per annum, except where otherwise provided by statute, provided  
 3 that in medical debt actions by a hospital licensed under article twen-  
 4 ty-eight of the public health law or a health care professional author-  
 5 ized under title eight of the education law the interest rate shall be  
 6 three per centum per annum.

7 § 3. This act shall take effect immediately.

8 PART G

9 Section 1. Subsection (h) of section 603 of the financial services  
 10 law, as added by section 26 of part H of chapter 60 of the laws of 2014,  
 11 is amended to read as follows:

12 (h) "Surprise bill" means a bill for health care services, other than  
 13 emergency services, received by:

14 (1) an insured for services rendered by a non-participating physician  
 15 at a participating hospital or ambulatory surgical center, where a  
 16 participating physician is unavailable or a non-participating physician  
 17 renders services without the insured's knowledge, or unforeseen medical  
 18 services arise at the time the health care services are rendered;  
 19 provided, however, that a surprise bill shall not mean a bill received  
 20 for health care services when a participating physician is available and  
 21 the insured has elected to obtain services from a non-participating  
 22 physician;

23 (2) an insured for services rendered by a non-participating provider,  
 24 where the services were referred by a participating physician to a non-  
 25 participating provider without explicit written consent of the insured  
 26 acknowledging that the participating physician is referring the insured  
 27 to a non-participating provider and that the referral may result in  
 28 costs not covered by the health care plan; [~~or~~]

29 (3) an insured for services rendered by a non-participating provider  
 30 when the insured reasonably relied upon an oral or written statement  
 31 that the non-participating provider was a participating provider made by  
 32 a health care plan, or agent or representative of a health care plan, or  
 33 as specified in the health care plan provider listing or directory, or  
 34 provider information on the health plan's website;

35 (4) an insured for services rendered by a non-participating provider  
 36 when the insured reasonably relied upon a statement that the non-parti-  
 37 cipating provider was a participating provider made by the non-partici-  
 38 pating provider, or agent or representative of the non-participating  
 39 provider, or as specified on the non-participating provider's website;  
 40 or

41 (5) a patient who is not an insured for services rendered by a physi-  
 42 cian at a hospital or ambulatory surgical center, where the patient has  
 43 not timely received all of the disclosures required pursuant to section  
 44 twenty-four of the public health law.

45 § 2. Paragraph (k) of subdivision 1 of section 2803 of the public  
 46 health law, as added by chapter 241 of the laws of 2016, is amended to  
 47 read as follows:

48 (k) The statement regarding patient rights and responsibilities,  
 49 required pursuant to paragraph (g) of this subdivision, shall include  
 50 provisions informing the patient of his or her right to [~~choose~~] be held  
 51 harmless from certain bills for emergency services and surprise bills,  
 52 and to submit surprise bills or bills for emergency services to the  
 53 independent dispute process established in article six of the financial  
 54 services law, and informing the patient of his or her right to view a

1 list of the hospital's standard charges and the health plans the hospi-  
2 tal participates with consistent with section twenty-four of this chap-  
3 ter.

4 § 3. Paragraph 1 of subsection (a) of section 605 and sections 606 and  
5 608 of the financial services law, as added by section 26 of part H of  
6 chapter 60 of the laws of 2014, are amended to read as follows:

7 (1) When a health care plan receives a bill for emergency services  
8 from a non-participating physician, the health care plan shall pay an  
9 amount that it determines is reasonable for the emergency services  
10 rendered by the non-participating physician, in accordance with section  
11 three thousand two hundred twenty-four-a of the insurance law, except  
12 for the insured's co-payment, coinsurance or deductible, if any, and  
13 shall ensure that the insured shall incur no greater out-of-pocket costs  
14 for the emergency services than the insured would have incurred with a  
15 participating physician pursuant to subsection (c) of section three  
16 thousand two hundred forty-one of the insurance law. If an insured  
17 assigns benefits to a non-participating physician or ambulance provider,  
18 such payment shall be made directly to the assignee.

19 § 606. Hold harmless and assignment of benefits for emergency services  
20 and surprise bills for insureds. When an insured assigns benefits for an  
21 emergency service or a surprise bill in writing to a non-participating  
22 physician or hospital that knows the insured is insured under a health  
23 care plan, the non-participating physician or hospital shall not bill  
24 the insured except for any applicable copayment, coinsurance or deduct-  
25 ible that would be owed if the insured utilized a participating physi-  
26 cian or hospital.

27 § 608. Payment for independent dispute resolution entity. (a) For  
28 disputes involving an insured, when the independent dispute resolution  
29 entity determines the health care plan's payment is reasonable, payment  
30 for the dispute resolution process shall be the responsibility of the  
31 non-participating physician. When the independent dispute resolution  
32 entity determines the non-participating physician's fee is reasonable,  
33 payment for the dispute resolution process shall be the responsibility  
34 of the health care plan. When a good faith negotiation directed by the  
35 independent dispute resolution entity pursuant to paragraph four of  
36 subsection (a) of section six hundred five of this article, or paragraph  
37 six of subsection (a) of section six hundred seven of this article  
38 results in a settlement between the health care plan and non-participat-  
39 ing physician, the health care plan and the non-participating physician  
40 shall evenly divide and share the prorated cost for dispute resolution.

41 (b) For disputes involving a patient that is not an insured, when the  
42 independent dispute resolution entity determines the physician's or  
43 hospital's fee is reasonable, payment for the dispute resolution process  
44 shall be the responsibility of the patient unless payment for the  
45 dispute resolution process would pose a hardship to the patient. The  
46 superintendent shall promulgate a regulation to determine payment for  
47 the dispute resolution process in cases of hardship. When the independ-  
48 ent dispute resolution entity determines the physician's or hospital's  
49 fee is unreasonable, payment for the dispute resolution process shall be  
50 the responsibility of the physician or hospital.

51 § 6. Subsection (c) of section 3241 of the insurance law, as added by  
52 section 6 of part H of chapter 60 of the laws of 2014, is amended to  
53 read as follows:

54 (c) When an insured or enrollee under a contract or policy that  
55 provides coverage for emergency services receives the services from a  
56 health care provider that does not participate in the provider network

1 of an insurer, a corporation organized pursuant to article forty-three  
2 of this chapter, a municipal cooperative health benefit plan certified  
3 pursuant to article forty-seven of this chapter, a health maintenance  
4 organization certified pursuant to article forty-four of the public  
5 health law, or a student health plan established or maintained pursuant  
6 to section one thousand one hundred twenty-four of this chapter ("health  
7 care plan"), the health care plan shall ensure that the insured or  
8 enrollee shall incur no greater out-of-pocket costs for the emergency  
9 services than the insured or enrollee would have incurred with a health  
10 care provider that participates in the health care plan's provider  
11 network.

12 For the purpose of this section, "emergency services" shall have the  
13 meaning set forth in [~~subparagraph (D) of paragraph nine of subsection  
14 (i) of section three thousand two hundred sixteen of this article,  
15 subparagraph (D) of paragraph four of subsection (k) of section three  
16 thousand two hundred twenty-one of this article, and subparagraph (D) of  
17 paragraph two of subsection (a) of section four thousand three hundred  
18 three of this chapter~~] subsection (b) of section six hundred three of  
19 the financial services law.

20 § 7. This act shall take effect immediately.

21 § 3. Severability clause. If any clause, sentence, paragraph, subdivi-  
22 sion, section or part of this act shall be adjudged by any court of  
23 competent jurisdiction to be invalid, such judgment shall not affect,  
24 impair, or invalidate the remainder thereof, but shall be confined in  
25 its operation to the clause, sentence, paragraph, subdivision, section  
26 or part thereof directly involved in the controversy in which such judg-  
27 ment shall have been rendered. It is hereby declared to be the intent of  
28 the legislature that this act would have been enacted even if such  
29 invalid provisions had not been included herein.

30 § 4. This act shall take effect immediately provided, however, that  
31 the applicable effective date of Parts A through G of this act shall be  
32 as specifically set forth in the last section of such Parts.