

STATE OF NEW YORK

8692

2019-2020 Regular Sessions

IN ASSEMBLY

October 23, 2019

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

AN ACT to amend the insurance law, in relation to catastrophic or reinsurance coverage issued to certain small groups

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

1 Section 1. Paragraph 1 of subsection (g) of section 3231 of the insurance law, as amended by chapter 12 of the laws of 2016, is amended by adding a new subparagraph (C) to read as follows:

2 (C) Subparagraph (A) of this paragraph shall not apply to groups which
3 have been formed pursuant to article five-G of the general municipal law
4 for the purpose of jointly purchasing health insurance and are comprised
5 entirely of one or more municipal corporations or districts (as such
6 terms are defined in section one hundred nineteen-n of the general
7 municipal law).

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10 § 2. Paragraph 1 of subsection (g) of section 3231 of the insurance law, as amended by section 2 of subpart A of part J of chapter 57 of the laws of 2019, is amended to read as follows:

11 (1) This section shall also apply to policies issued to a group
12 defined in subsection (c) of section four thousand two hundred thirty-five of this chapter, including but not limited to an association or trust of employers, if the group includes one or more member employers or other member groups which have one hundred or fewer employees or members exclusive of spouses and dependents. For policies issued or renewed on or after January first, two thousand fourteen, if the group includes one or more member small group employers eligible for coverage subject to this section, then such member employers shall be classified as small groups for rating purposes and the remaining members shall be rated consistent with the rating rules applicable to such remaining members pursuant to paragraph two of this subsection. This paragraph shall not apply to groups which have been formed pursuant to article

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

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1 five-G of the general municipal law for the purpose of jointly purchas-
2 ing health insurance and are comprised entirely of one or more municipal
3 corporations or districts, as such terms are defined in section one
4 hundred nineteen-n of the general municipal law.

5 § 3. Paragraph 1 of subsection (d) of section 4317 of the insurance
6 law, as amended by chapter 12 of the laws of 2016, is amended by adding
7 a new subparagraph (C) to read as follows:

8 (C) Subparagraph (A) of this paragraph shall not apply to groups which
9 have been formed pursuant to article five-G of the general municipal law
10 for the purpose of jointly purchasing health insurance and are comprised
11 entirely of one or more municipal corporations or districts (as such
12 terms are defined in section one hundred nineteen-n of the general
13 municipal law).

14 § 4. Paragraph 1 of subsection (d) of section 4317 of the insurance
15 law, as amended by section 7 of subpart A of part J of chapter 57 of the
16 laws of 2019, is amended to read as follows:

17 (1) This section shall also apply to a contract issued to a group
18 defined in subsection (c) of section four thousand two hundred thirty-
19 five of this chapter, including but not limited to an association or
20 trust of employers, if the group includes one or more member employers
21 or other member groups which have one hundred or fewer employees or
22 members exclusive of spouses and dependents. For contracts issued or
23 renewed on or after January first, two thousand fourteen, if the group
24 includes one or more member small group employers eligible for coverage
25 subject to this section, then such member employers shall be classified
26 as small groups for rating purposes and the remaining members shall be
27 rated consistent with the rating rules applicable to such remaining
28 members pursuant to paragraph two of this subsection. Provided, however,
29 this subsection shall not apply to groups which have been formed pursu-
30 ant to article five-G of the general municipal law for the purpose of
31 jointly purchasing health insurance and are comprised entirely of one or
32 more municipal corporations or districts, as such terms are defined in
33 section one hundred nineteen-n of the general municipal law.

34 § 5. This act shall take effect immediately, provided that the amend-
35 ments to paragraph 1 of subsection (g) of section 3231 and paragraph 1
36 of subsection (d) of section 4317 of the insurance law made by sections
37 one and three of this act shall be subject to the expiration and rever-
38 sion of such paragraphs pursuant to section 5 of chapter 588 of the laws
39 of 2015, as amended, when upon such date the provisions of sections two
40 and four, respectively, of this act shall take effect.