STATE OF NEW YORK

3684

2021-2022 Regular Sessions

IN ASSEMBLY

January 28, 2021

Introduced by M. of A. STIRPE, HUNTER -- 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:

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:

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

§ 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:

(1) This section shall also apply to policies issued to a group 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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five-G of the general municipal law for the purpose of jointly purchasing health insurance and are comprised entirely of one or more municipal corporations or districts, as such terms are defined in section one hundred nineteen-n of the general municipal law.

§ 3. Paragraph 1 of subsection (d) of section 4317 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:

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

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

(1) This section shall also apply to a contract issued to a group 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 contracts 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. Provided, however, this subsection shall not apply to groups which have been formed pursuant to article five-G of the general municipal law for the purpose of jointly purchasing health insurance and are comprised entirely of one or more municipal corporations or districts, as such terms are defined in section one hundred nineteen-n of the general municipal law.

§ 5. This act shall take effect immediately, provided that the amendments to paragraph 1 of subsection (g) of section 3231 and paragraph 1 of subsection (d) of section 4317 of the insurance law made by sections one and three of this act shall be subject to the expiration and reversion of such paragraphs pursuant to section 5 of chapter 588 of the laws of 2015, as amended, when upon such date the provisions of sections two and four, respectively, of this act shall take effect.