

# STATE OF NEW YORK

9908--A

## IN ASSEMBLY

April 19, 2022

Introduced by M. of A. McDONALD, WOERNER -- read once and referred to the Committee on Insurance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the insurance law and the public health law, in relation to exempting health care professionals from preauthorization requirements in certain circumstances

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

1 Section 1. Subsection (a) of section 4902 of the insurance law is  
2 amended by adding a new paragraph 14 to read as follows:

3 (14) Establishment of an exemption from preauthorization requirements  
4 for health care professionals providing health care services which shall  
5 include that:

6 (i) an insurer that uses a preauthorization process for health care  
7 services shall not require a health care professional to obtain preau-  
8 thorization for a particular health care service if, in the most recent  
9 six-month evaluation period, the insurer has approved not less than  
10 ninety percent of the preauthorization requests submitted by such health  
11 care professional for the particular health care service;

12 (ii) the insurer shall evaluate whether a health care professional  
13 qualifies for an exemption from preauthorization requirements under  
14 subparagraph (i) of this paragraph once every six months;

15 (iii) the insurer may continue an exemption under subparagraph (i) of  
16 this paragraph without evaluating whether the health care professional  
17 qualifies for the exemption for a particular evaluation period;

18 (iv) a health care professional shall not be required to request an  
19 exemption to qualify for the exemption;

20 (v) a health care professional's exemption from preauthorization  
21 requirements under subparagraph (i) of this paragraph shall remain in  
22 effect until:

23 (A) the thirtieth day after the date the insurer notifies the health  
24 care professional of the insurer's determination to rescind the  
25 exemption pursuant to subparagraph (vii) of this paragraph if the health  
26 care professional does not appeal such determination; or

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

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1 (B) where the health care professional appeals the determination and  
2 the independent review organization affirms the insurer's determination  
3 to rescind the exemption, the fifth day after the affirmation of such  
4 determination;

5 (vi) where an insurer does not finalize a rescission determination as  
6 specified in subparagraph (vii) of this paragraph, the health care  
7 professional shall be considered to have met the criteria to continue to  
8 qualify for the exemption and such exemption shall remain in effect  
9 until the following evaluation period;

10 (vii) an insurer may rescind an exemption from preauthorization  
11 requirements under subparagraph (i) of this paragraph only:

12 (A) during January or June of each year; and

13 (B) the insurer makes a determination, on the basis of a retrospective  
14 review of a random sample of not fewer than five and no more than twenty  
15 claims submitted by the health care professional during the most recent  
16 evaluation period that less than ninety percent of the claims for the  
17 particular health care service met the medical necessity criteria that  
18 would have been used by the insurer when conducting preauthorization  
19 review for the particular health care service during the relevant evalu-  
20 ation period; and

21 (C) the insurer complies with all other applicable requirements of  
22 this paragraph and the insurer notifies the health care professional not  
23 less than twenty days before the proposed rescission is to take effect,  
24 together with the sample of claims used to make the determination pursu-  
25 ant to clause (B) of this subparagraph and a plain language explanation  
26 of the health care professional's right to appeal such determination and  
27 instructions on how to initiate such appeal;

28 (viii) notwithstanding any contrary provision of subparagraph (i) of  
29 this paragraph, an insurer may deny an exemption from preauthorization  
30 requirements:

31 (A) if the health care professional does not have the exemption at the  
32 time of the relevant evaluation period; and

33 (B) the insurer provides the health care professional with actual  
34 statistics and data for the relevant preauthorization request evaluation  
35 period and detailed information sufficient to demonstrate that the  
36 health care professional does not meet the criteria for an exemption  
37 pursuant to subparagraph (i) of this paragraph for the particular health  
38 care service;

39 (ix) after a final determination or review affirming the rescission or  
40 denial of an exemption for a specific health care service under this  
41 paragraph, a health care professional shall be eligible for consider-  
42 ation of an exemption for the same health care service after the evalu-  
43 ation period following the evaluation period which formed the basis of  
44 the rescission or denial of an exemption;

45 (x) the insurer shall, not later than five days after qualifying for  
46 an exemption pursuant to subparagraph (i) of this paragraph, provide to  
47 a health care professional a notice that shall include:

48 (A) a statement that the health care professional qualifies for an  
49 exemption pursuant to this paragraph;

50 (B) a description of the health care services to which such exemption  
51 applies; and

52 (C) a statement of the duration that such exemption shall remain in  
53 effect; and

54 (xi) in the event that the health care professional submits a preau-  
55 thorization request for a health care service for which the health care  
56 professional qualifies for an exemption from preauthorization require-

1 ments under subparagraph (i) of this paragraph, the insurer shall  
2 promptly notify such health care professional that such health care  
3 professional has qualified for an exemption for such health care service  
4 in accordance with the requirements of subparagraph (x) of this para-  
5 graph.

6 (xii) Nothing in this paragraph may be construed to: (A) authorize a  
7 health care professional to provide a health care service outside the  
8 scope of such health care professional's applicable license; or (B)  
9 prohibit a health insurer from performing a retrospective review of the  
10 health care service pursuant to section forty-nine hundred three of this  
11 title.

12 § 2. Subdivision 1 of section 4902 of the public health law is amended  
13 by adding a new paragraph (1) to read as follows:

14 (1) Establishment of an exemption from preauthorization requirements  
15 for health care professionals providing certain health care services  
16 which shall include that:

17 (i) a health care plan that uses a preauthorization process for health  
18 care services shall not require a health care professional to obtain  
19 preauthorization for a particular health care service if, in the most  
20 recent six-month evaluation period, the health care plan has approved  
21 not less than ninety percent of the preauthorization requests submitted  
22 by such health care professional for the particular health care service;

23 (ii) such health care plan shall evaluate whether a health care  
24 professional qualifies for an exemption from preauthorization require-  
25 ments under subparagraph (i) of this paragraph once every six months;

26 (iii) the health care plan may continue an exemption under subpara-  
27 graph (i) of this paragraph without evaluating whether the health care  
28 professional qualifies for the exemption for a particular evaluation  
29 period;

30 (iv) a health care professional shall not be required to request an  
31 exemption to qualify for the exemption under this paragraph;

32 (v) a health care professional's exemption from preauthorization  
33 requirements under subparagraph (i) of this paragraph shall remain in  
34 effect until:

35 (A) the thirtieth day after the date the health care plan notifies the  
36 health care professional of the health care plan's determination to  
37 rescind the exemption pursuant to subparagraph (vii) of this paragraph  
38 if the health care professional does not appeal such determination; or

39 (B) where the health care professional appeals the determination and  
40 the independent review organization affirms the health care plan's  
41 determination to rescind the exemption, the fifth day after the affirma-  
42 tion of such determination;

43 (vi) where a health care plan does not finalize a rescission determi-  
44 nation as specified in subparagraph (vii) of this paragraph, the health  
45 care professional shall be considered to have met the criteria to  
46 continue to qualify for the exemption and such exemption shall remain in  
47 effect until the following evaluation period;

48 (vii) a health care plan may rescind an exemption from preauthori-  
49 zation requirements under subparagraph (i) of this paragraph only:

50 (A) during January or June of each year; and

51 (B) the health care plan makes a determination, on the basis of a  
52 retrospective review of a random sample of not fewer than five and no  
53 more than twenty claims submitted by the health care professional during  
54 the most recent evaluation period that less than ninety percent of the  
55 claims for the particular health care service met the medical necessity  
56 criteria that would have been used by the health care plan when

1 conducting preauthorization review for the particular health care  
2 service during the relevant evaluation period; and

3 (C) the health care plan complies with all other applicable require-  
4 ments of this paragraph and the health care plan notifies the health  
5 care professional not less than twenty days before the proposed rescis-  
6 sion is to take effect, together with the sample of claims used to make  
7 the determination pursuant to clause (B) of this subparagraph and a  
8 plain language explanation of the health care professional's right to  
9 appeal such determination and instructions on how to initiate such  
10 appeal;

11 (viii) notwithstanding any contrary provision of subparagraph (i) of  
12 this paragraph, a health care plan may deny an exemption from preauthor-  
13 ization requirements:

14 (A) if the health care professional does not have the exemption at the  
15 time of the relevant evaluation period; and

16 (B) the health care plan provides the health care professional with  
17 actual statistics and data for the relevant preauthorization request  
18 evaluation period and detailed information sufficient to demonstrate  
19 that the health care professional does not meet the criteria for an  
20 exemption pursuant to subparagraph (i) of this paragraph for the partic-  
21 ular health care service;

22 (ix) after a final determination or review affirming the rescission or  
23 denial of an exemption for a specific health care service under this  
24 paragraph, a health care professional shall be eligible for consider-  
25 ation of an exemption for the same health care service after the evalu-  
26 ation period following the evaluation period which formed the basis of  
27 the rescission or denial of an exemption;

28 (x) the health care plan shall, not later than five days after quali-  
29 fying for an exemption pursuant to subparagraph (i) of this paragraph,  
30 provide to a health care professional a notice that shall include:

31 (A) a statement that the health care professional qualifies for an  
32 exemption pursuant to this paragraph;

33 (B) a description of the health care services to which such exemption  
34 applies; and

35 (C) a statement of the duration that such exemption shall remain in  
36 effect; and

37 (xi) in the event that the health care professional submits a preau-  
38 thorization request for a health care service for which the health care  
39 professional qualifies for an exemption from preauthorization require-  
40 ments under subparagraph (i) of this paragraph, the health care plan  
41 shall promptly notify such health care professional that such health  
42 care professional has qualified for an exemption for such health care  
43 service in accordance with the requirements of subparagraph (x) of this  
44 paragraph.

45 (xii) Nothing in this paragraph shall be construed to: (A) authorize a  
46 health care professional to provide a health care service outside the  
47 scope of such health care professional's applicable license; or (B)  
48 prohibit a health care plan from performing a retrospective review of  
49 the health care service pursuant to section forty-nine hundred three of  
50 this title.

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