

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.

LBD14530-03-2

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-

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

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

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

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

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

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

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

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

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

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

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

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

(vii) a health care plan may rescind an exemption from preauthorization requirements under subparagraph (i) of this paragraph only:

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

(B) the health care plan makes a determination, on the basis of a retrospective review of a random sample of not fewer than five and no more than twenty claims submitted by the health care professional during the most recent evaluation period that less than ninety percent of the claims for the particular health care service met the medical necessity 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 preautho-
13 rization 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.