STATE OF NEW YORK

5638

2023-2024 Regular Sessions

IN SENATE

March 10, 2023

Introduced by Sen. JACKSON -- read twice and ordered printed, and when printed to be committed to the Committee on Insurance

AN ACT to amend the financial services law, in relation to preserving the ability of health care providers to access the independent dispute resolution process

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

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

(c) "Health care plan" means an insurer licensed to write accident and health insurance pursuant to article thirty-two of the insurance law; a corporation organized pursuant to article forty-three of the insurance law; a municipal cooperative health benefit plan certified pursuant to article forty-seven of the insurance law; a health maintenance organization certified pursuant to article forty-four of the public health law; [~~or~~] a student health plan established or maintained pursuant to section one thousand one hundred twenty-four of the insurance law**; or any provision of health benefits under section one hundred sixty-two of the civil service law**.

§ 2. Section 604 of the financial services law, as amended by section 4 of subpart A of part AA of chapter 57 of the laws of 2022, is amended to read as follows:

§ 604. Criteria for determining a reasonable fee. In determining the appropriate amount to pay for a health care service, an independent dispute resolution entity shall consider all relevant factors, including:

(a) whether there is a gross disparity between the fee charged by the provider for services rendered as compared to:

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

LBD09745-01-3

(1) fees paid to the involved provider for the same services rendered by the provider to other patients in health care plans in which the provider is not participating, and

(2) in the case of a dispute involving a health care plan, fees paid by the health care plan to reimburse similarly qualified providers for the same services in the same region who are not participating with the health care plan;

(b) the level of training, education and experience of the health care professional, and in the case of a hospital, the teaching staff, scope of services and case mix;

(c) the provider's usual charge for comparable services with regard to patients in health care plans in which the provider is not participating;

(d) the circumstances and complexity of the particular case, including time and place of the service;

(e) individual patient characteristics; **and**

(f) [~~**the median of the rate recognized by the health care plan to reimburse similarly qualified providers for the same or similar services in the same region that are participating with the health care plan; and**~~

~~**(g)**~~] with regard to physician services, the usual and customary cost of the service.

§ 3. This act shall take effect immediately.