

# STATE OF NEW YORK

6126

2023-2024 Regular Sessions

## IN ASSEMBLY

April 3, 2023

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

AN ACT to amend the insurance law, in relation to prohibiting insurers from reducing disability benefits unless certain conditions are met

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

1 Section 1. Section 3216 of the insurance law is amended by adding two  
2 new subsections (n) and (o) to read as follows:

3 (n) No policy or certificate of accident and health insurance provid-  
4 ing disability benefits delivered or issued for delivery to any person  
5 in this state shall contain any provision authorizing an insurer to  
6 offset or reduce benefits due to the actual or anticipated receipt of  
7 social security disability benefits or other disability benefits, unless  
8 such policy or certificate notifies the insured that the insured may  
9 qualify for such benefits, and to pursue such benefits through any  
10 required administrative appeals.

11 (o) No insurer may offset or reduce benefits payable under a policy of  
12 accident and health insurance providing disability insurance due to the  
13 actual or estimated receipt of social security disability insurance  
14 benefits unless:

15 (1) the insurer has a reasonable, good faith belief that the insured  
16 is entitled to such benefits and a means of reasonably estimating the  
17 amount payable;

18 (2) the insurer makes a good faith effort to assist the insured in  
19 applying for such benefits; and

20 (3) the insured fails to apply for, or pursue, such benefits with  
21 reasonable diligence during the application process or any required  
22 appeals.

23 § 2. This act shall take effect immediately.

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

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