STATE OF NEW YORK

1052

2023-2024 Regular Sessions

IN SENATE

January 9, 2023

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

AN ACT in relation to requiring a review and report on the adequacy, reasonableness and affordability of insurance products designed to pay for the future medical expenses of injured plaintiffs who receive a judgment or settlement for damages that include future medical expenses; and providing for the repeal of such provisions upon expiration thereof

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

Section 1. The legislature hereby finds that the costs of medical malpractice payouts are significant for the defendant medical professionals, medical groups and hospitals responsible for these payouts to successful plaintiffs. The COVID-19 outbreak highlighted the essential role these health care providers play in New York state's protection of the health and welfare of its residents. One component of the medical malpractice lawsuit payouts that are extremely costly are future medical expenses for the injured plaintiff. The tremendous financial impact upon the health care community due to the ongoing and growing costs of medical malpractice payouts highlights the need to examine the possibility of the current market for insurance products such as annuities to lessen the tremendous financial burden of these payouts on the vital health care services the New York health care community provides to all New Yorkers.

§ 2. The superintendent of financial services shall, in consultation with the office of court administration, review and report on the adequacy, reasonableness and affordability of insurance products designed to pay for the future medical expenses of injured plaintiffs who receive a judgment or settlement for damages that include future medical expenses. Such report shall include but not be limited to:

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

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(a) the present state of the marketplace regarding insurance products, including but not limited to annuities, that could be purchased by defendants to satisfy the future medical expenses incurred by plaintiffs who receive either a judgment or settlement for future medical expenses damages;

(b) the experience of states and jurisdictions as far as such insurance products and any laws either allowing or requiring defendants to purchase such insurance products to satisfy the future medical expenses portion of a judgment or settlement; and

(c) recommendations to promote reasonable, adequate and cost-effective insurance products available for defendants to purchase such products.

§ 3. Within two hundred seventy days of the effective date of this act, the superintendent of financial services shall submit such report to the governor, the temporary president of the senate, and the speaker of the assembly.

§ 4. This act shall take effect immediately and shall expire and be deemed repealed on the sixtieth day after the submission of the report required by section three of this act; provided that the superintendent of financial services shall notify the legislative bill drafting commission upon the submission of the report required by section three of this act in order that the commission may maintain an accurate and timely effective data base of the official text of the laws of the state of New York in furtherance of effectuating the provisions of section 44 of the legislative law and section 70-b of the public officers law.