

STATE OF NEW YORK

2327

2025-2026 Regular Sessions

IN ASSEMBLY

January 16, 2025

Introduced by M. of A. McDONALD, STECK, STIRPE, K. BROWN, COLTON, BENDETT, PAULIN, LAVINE, LUNSFORD -- read once and referred to the Committee on Insurance

AN ACT to amend the insurance law and the public health law, in relation to enhanced disclosure of step therapy override requests and determinations; and to repeal certain provisions of such laws relating thereto

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

1 Section 1. Section 4903 of the insurance law is amended by adding two
2 new subsections (j) and (k) to read as follows:

3 (j) Each health care plan and utilization review agent shall annually,
4 in such form as the superintendent shall require, report information to
5 the department regarding step therapy override requests and determi-
6 nations. Such reports shall, among other things, separately identify the
7 following information, organized by individual drug name and drug cate-
8 gory and class:

9 (1) The number of step therapy override determination requests
10 received;

11 (2) The type of health care providers or the medical specialties of
12 the health care providers submitting requests;

13 (3) The number of step therapy override determination requests that
14 were initially denied and the reasons for such denials;

15 (4) The number of step therapy override determination requests that
16 were initially approved; and

17 (5) The number of step therapy override determination requests that
18 were reversed on internal appeal.

19 (k) Each health care plan and utilization review agent shall disclose,
20 in such form as the superintendent shall require, non-confidential
21 information regarding step therapy override requests and determinations
22 on a website or web-based tool that is readily accessible to the public.

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

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1 Such disclosure shall, among other things, separately identify the
2 following information, organized by individual drug name and drug cate-
3 gory and class:

4 (1) The number of step therapy override determination requests
5 received;

6 (2) The type of health care providers or the medical specialties of
7 the health care providers submitting requests;

8 (3) The number of step therapy override determination requests that
9 were initially denied and the reasons for such denials;

10 (4) The number of step therapy override determination requests that
11 were initially approved; and

12 (5) The number of step therapy override determination requests that
13 were reversed on internal appeal.

14 § 2. Section 4903 of the public health law is amended by adding two
15 new subdivisions 10 and 11 to read as follows:

16 10. Each health care plan and utilization review agent shall annually,
17 in such form as the commissioner shall require, report information to
18 the department regarding step therapy override determination requests
19 and the outcomes of such requests. Such reports shall, among other
20 things, separately identify the following information, organized by
21 individual drug name and drug category and class:

22 (a) The number of step therapy override determination requests
23 received;

24 (b) The type of health care providers or the medical specialties of
25 the health care providers submitting requests;

26 (c) The number of step therapy override determination requests that
27 were initially denied and the reasons for such denials;

28 (d) The number of step therapy override determination requests that
29 were initially approved; and

30 (e) The number of step therapy override determination requests that
31 were reversed on internal appeal.

32 11. Each health care plan and utilization review agent shall disclose,
33 in such form as the commissioner shall require, non-confidential infor-
34 mation regarding step therapy override requests and determinations on a
35 website or web-based tool that is readily accessible to the public.
36 Such disclosure shall, among other things, separately identify the
37 following information, organized by individual drug name and drug cate-
38 gory and class:

39 (a) The number of step therapy override determination requests
40 received;

41 (b) The type of health care providers or the medical specialties of
42 the health care providers submitting requests;

43 (c) The number of step therapy override determination requests that
44 were initially denied and the reasons for such denials;

45 (d) The number of step therapy override determination requests that
46 were initially approved; and

47 (e) The number of step therapy override determination requests that
48 were reversed on internal appeal.

49 § 3. Paragraph 10 of subsection (b) of section 3217-a of the insurance
50 law is REPEALED and three new subsections (h), (i) and (j) are added to
51 read as follows:

52 (h) Where applicable, each insurer subject to this article shall
53 disclose information on step therapy protocols, step therapy override
54 determinations, and internal and external appeals, as governed by arti-
55 cle forty-nine of this chapter, and any associated clinical review
56 criteria pertaining to specific conditions and diseases. Such informa-

1 tion shall be made readily accessible on the insurer's website or web-
2 based tool and, upon request, in written or electronic form to an
3 insured or an insured's authorized representative and a health care
4 professional as defined in subsection (f) of section four thousand nine
5 hundred of this chapter.

6 (i) If an insurer subject to this article intends either to implement
7 a new requirement or restriction or amend an existing requirement or
8 restriction, relating to a step therapy protocol, internal or external
9 step therapy appeals protocol, or associated clinical review criteria,
10 such insurer shall ensure that such new or amended requirement or
11 restriction is not implemented unless such insurer's website or web-
12 based tool has been updated to reflect such new or amended requirement
13 or restriction.

14 (j) If an insurer subject to this article intends either to implement
15 a new requirement or restriction, or amend an existing requirement or
16 restriction, relating to a step therapy protocol, internal or external
17 step therapy appeals protocol, or associated clinical review criteria,
18 such insurer shall provide any insured or health care professional as
19 defined in subsection (f) of section four thousand nine hundred of this
20 chapter who may be impacted by such new requirement, restriction, or
21 amendment with written notice of such new requirement, restriction, or
22 amendment no less than sixty days before implementation. Such notice may
23 be delivered electronically or by other means.

24 § 4. Paragraph 10 of subsection (b) of section 4324 of the insurance
25 law is REPEALED and three new subsections (h), (i) and (j) are added to
26 read as follows:

27 (h) Where applicable, each health service, hospital service, or
28 medical indemnity corporation subject to this article shall disclose
29 information on step therapy protocols, step therapy override determi-
30 nations, and internal and external appeals, as governed by article
31 forty-nine of this chapter, and any associated clinical review criteria
32 pertaining to specific conditions and diseases. Such information shall
33 be made readily accessible on such health service, hospital service, or
34 medical indemnity corporation's website or web-based tool and, upon
35 request, in written or electronic form to an insured or the insured's
36 authorized representative and a health care professional as defined in
37 subsection (f) of section four thousand nine hundred of this chapter.

38 (i) If a health service, hospital service, or medical indemnity corpo-
39 ration subject to this article intends either to implement a new
40 requirement or restriction or amend an existing requirement or
41 restriction, relating to a step therapy protocol, internal or external
42 step therapy appeals protocol, or associated clinical review criteria,
43 such health service, hospital service, or medical indemnity corporation
44 shall ensure that such new or amended requirement or restriction is not
45 implemented unless such health service, hospital service, or medical
46 indemnity corporation's website or web-based tool has been updated to
47 reflect such new or amended requirement or restriction.

48 (j) If a health service, hospital service, or medical indemnity corpo-
49 ration subject to this article intends either to implement a new
50 requirement or restriction or amend an existing requirement or
51 restriction, relating to a step therapy protocol, internal or external
52 step therapy appeals protocol, or associated clinical review criteria,
53 such health service, hospital service, or medical indemnity corporation
54 shall provide any insured or health care professional as defined in
55 subsection (f) of section four thousand nine hundred of this chapter who
56 may be impacted by such new requirement, restriction, or amendment with

1 written notice of such new requirement, restriction, or amendment no
2 less than sixty days before implementation. Such notice may be delivered
3 electronically or by other means.

4 § 5. Paragraph (j) of subdivision 2 of section 4408 of the public
5 health law is REPEALED and three new subdivisions 9, 10 and 11 are added
6 to read as follows:

7 9. Where applicable, each health maintenance organization subject to
8 this article shall disclose information on step therapy protocols, step
9 therapy override determinations, and internal and external appeals, as
10 governed by article forty-nine of this chapter, and any associated clin-
11 ical review criteria pertaining to specific conditions and diseases.
12 Such information shall be made readily accessible on such health mainte-
13 nance organization's website or web-based tool and, upon request, in
14 written or electronic form to an enrollee or the enrollee's authorized
15 representative and a health care professional as defined in subdivi-
16 sion six of section forty-nine hundred of this chapter.

17 10. If a health maintenance organization subject to this article
18 intends either to implement a new requirement or restriction or amend an
19 existing requirement or restriction, relating to a step therapy proto-
20 col, internal or external step therapy appeals protocol, or associated
21 clinical review criteria, such health maintenance organization shall
22 ensure that such new or amended requirement or restriction is not imple-
23 mented unless such health maintenance organization's website or web-
24 based tool has been updated to reflect such new or amended requirement
25 or restriction.

26 11. If a health maintenance organization subject to this article
27 intends either to implement a new requirement or restriction or amend an
28 existing requirement or restriction, relating to a step therapy proto-
29 col, internal or external step therapy appeals protocol, or associated
30 clinical review criteria, such health maintenance organization shall
31 provide any enrollee or health care professional as defined in subdivi-
32 sion six of section forty-nine hundred of this chapter who may be
33 impacted by such new requirement, restriction, or amendment with written
34 notice of such new requirement, restriction, or amendment no less than
35 sixty days before implementation. Such notice may be delivered electron-
36 ically or by other means.

37 § 6. This act shall take effect immediately.