STATE OF NEW YORK

10317

IN SENATE

May 13, 2026

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

AN ACT to amend the public health law and the insurance law, in relation to network participation verification and disclosure

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

Section 1. Legislative findings and intent. The legislature finds that patients routinely rely on representations by health care providers regarding participation in a health plan's network. Providers frequently state they are "in-network" based on outdated or incomplete information, resulting in unexpected out-of-network charges and financial harm. Existing law requires insurers to maintain accurate provider directories but imposes no corresponding duty on providers to verify their contractual status prior to communicating with patients. This act establishes a clear, enforceable requirement for real-time verification and disclosure, and provides consumer protections when such verification does not occur.

§ 2. The public health law is amended by adding a new section 25 to read as follows:

§ 25. Network participation verification and disclosure. 1. Definitions. For purposes of this section:

(a) "Health care provider" means any individual or entity licensed, certified or authorized to provide health care services in this state.

(b) "Insurer" means any insurer, health maintenance organization, or health benefit plan subject to the insurance law or this chapter.

(c) "Network participation status" means whether a provider is contracted as a participating provider under a specific health benefit plan.

(d) "Real-time verification" means an electronic or telephonic confirmation obtained directly from the insurer or its designated verification system within the preceding seventy-two hours.

2. Verification requirement. No health care provider, or employee or agent thereof shall represent, state, imply or confirm to a patient or prospective patient that the provider is in-network, participating, or

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

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otherwise contracted with a health plan unless real-time verification of network participation status has been completed.

3. Pre-service documentation and disclosure. (a) Prior to scheduling an appointment or rendering any non-emergency service, a provider shall furnish the patient with written or electronic documentation stating:

(i) that real-time verification was completed; and

(ii) whether the provider is in-network or out-of-network for the patient's specific health plan.

(b) If the provider is out-of-network, the documentation shall state that services will be billed at out-of-network rates and may result in higher out-of-pocket costs.

(c) Documentation shall be acknowledged by the patient prior to service.

4. Documentation retention. (a) If the patient is billed at the in-network rate or lower, the provider shall not be required to retain or produce proof of real-time verification.

(b) If the patient is billed at out-of-network rates, the provider shall retain all verification and disclosure documentation for three years from the date of service.

(c) Proof of real-time verification shall be required only when the provider bills out-of-network.

5. Penalty for failure to disclose. (a) A provider that fails to comply with subdivisions two or three of this section shall be prohibited from billing, collecting or attempting to collect from the patient any amount other than the in-network copayment applicable under the patient's health plan.

(b) Where a claim is made pursuant to paragraph (a) of this subdivision, the insurer shall process the claim as if the provider were in-network, and the provider shall accept the in-network allowed amount as payment in full.

(c) Any attempt to bill a patient in violation of this subdivision shall constitute a deceptive business practice under section three hundred forty-nine of the general business law.

§ 3. The insurance law is amended by adding a new section 3217-k to read as follows:

§ 3217-k. Verification systems. 1. Every insurer shall maintain a real-time verification system accessible to providers at no cost.

2. Insurers shall issue a confirmation number or electronic record for each verification.

3. Insurers shall be bound by any verification issued unless obtained through fraud or misrepresentation.

§ 4. The insurance law is amended by adding a new section 4306-j to read as follows:

§ 4306-j. Verification systems. 1. Every corporation shall maintain a real-time verification system accessible to providers at no cost.

2. Corporations shall issue a confirmation number or electronic record for each verification.

3. Corporations shall be bound by any verification issued unless obtained through fraud or misrepresentation.

§ 5. The public health law is amended by adding a new section 4406-j to read as follows:

§ 4406-j. Verification systems. 1. Every health maintenance organization shall maintain a real-time verification system accessible to providers at no cost.

2. Health maintenance organizations shall issue a confirmation number or electronic record for each verification.

3. Health maintenance organizations shall be bound by any verification issued unless obtained through fraud or misrepresentation.

§ 6. This act shall take effect on the one hundred eightieth day after it shall have become a law. Effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such effective date.