

STATE OF NEW YORK

1911--C

Cal. No. 556

2025-2026 Regular Sessions

IN SENATE

January 14, 2025

Introduced by Sens. RIVERA, CLEARE, WEBB -- read twice and ordered printed, and when printed to be committed to the Committee on Health -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- recommitted to the Committee on Health in accordance with Senate Rule 6, sec. 8 -- reported favorably from said committee, ordered to first and second report, ordered to a third reading, amended and ordered reprinted, retaining its place in the order of third reading -- again amended and ordered reprinted, retaining its place in the order of third reading

AN ACT to amend the public health law and the insurance law, in relation to notices of non-renewal provided to a health care professional by a health care plan

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

1 Section 1. Subdivision 3 of section 4406-d of the public health law,
2 as added by chapter 705 of the laws of 1996, is amended to read as
3 follows:

4 3. (a) Either party to a contract may exercise a right of non-renewal
5 at the expiration of the contract period set forth therein or, for a
6 contract without a specific expiration date, on each January first
7 occurring after the contract has been in effect for at least one year,
8 upon sixty days notice to the other party; provided, however, that any
9 non-renewal shall not constitute a termination for purposes of this
10 section.

11 (b) (i) A health care plan shall, in the notice of non-renewal,
12 provide an explanation of its determination. Such explanation shall
13 specify the reason or reasons for the non-renewal, which may include:
14 the reimbursement rate paid for health care services; the quality of
15 care provided by the health care professional to enrollees; utilization
16 rates; credentialing requirements; or clinical appropriateness of the
17 health care services rendered by the health care professional.

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

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1 (ii) The notice of non-renewal shall provide instructions on how the
2 health care professional may submit information to the health care plan
3 to respond to the reason provided in the notice for the non-renewal of
4 the contract, including instructions on how the health care professional
5 may request reconsideration of the determination by the health care
6 plan.

7 § 2. Subsection (c) of section 4803 of the insurance law, as added by
8 chapter 705 of the laws of 1996, is amended to read as follows:

9 (c) (1) Either party to a contract for participation in the in-network
10 benefits portion of an insurer's network for a managed care product may
11 exercise a right of non-renewal at the expiration of the contract period
12 set forth therein or, for a contract without a specific expiration date,
13 on each January first occurring after the contract has been in effect
14 for at least one year, upon sixty days notice to the other party;
15 provided, however, that any non-renewal shall not constitute a termi-
16 nation for purposes of this section.

17 (2) (i) An insurer shall, in the notice of non-renewal, provide an
18 explanation of its determination. Such explanation shall specify the
19 reason or reasons for the non-renewal, which may include: the reimburse-
20 ment rate paid for health care services; the quality of care provided by
21 the health care professional to enrollees; utilization rates; creden-
22 tialing requirements; or clinical appropriateness of the health care
23 services rendered by the health care professional.

24 (ii) The notice of non-renewal shall provide instructions on how the
25 health care professional may submit information to the insurer to
26 respond to the rationale provided in the notice for the non-renewal of
27 the contract, including instructions on how the health care professional
28 may request reconsideration of the determination by the health care
29 plan.

30 § 3. This act shall take effect on the ninetieth day after it shall
31 have become a law.