

STATE OF NEW YORK

5341

2025-2026 Regular Sessions

IN SENATE

February 20, 2025

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

AN ACT to amend the insurance law, in relation to the approval of policy forms

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

1 Section 1. Paragraph 6 of subsection (c) of section 3201 of the insurance law, as amended by chapter 341 of the laws of 2006, is amended to
2 read as follows:

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4 (6) [~~(a)~~ ~~The~~] (A) Except as otherwise provided for in subsection (e) of this section, the superintendent may disapprove any policy form specified in paragraph two of subsection (b) of this section issued by a
5 domestic life insurer or fraternal benefit society for delivery outside
6 the state if its issuance would be prejudicial to the interests of its
7 policyholders or members.
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10 [~~(b)~~] (B) Except for the policy forms specified in paragraph two of
11 subsection (b) of this section, every domestic life insurer and fraternal
12 benefit society shall file annually with the superintendent a list
13 identifying and describing the policy forms issued by the insurer or
14 fraternal benefit society for delivery outside the state in a form
15 prescribed by the superintendent. If the superintendent determines that
16 the issuance of a policy form has been or may be prejudicial to the
17 interests of policyholders or members, the superintendent may take any
18 action [~~he or she~~] such superintendent deems appropriate, including
19 issuing an order, after a hearing, to cease and desist issuing the policy
20 form.

21 (C) Any insurer or fraternal benefit society who shall issue a policy form which shall be exempt from the filing and approval requirements of paragraphs one and two of subsection (b) of this section, shall file annually with the superintendent a list identifying and describing such
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EXPLANATION--Matter in italics (underscored) is new; matter in brackets [~~-~~] is old law to be omitted.

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1 policy forms in a manner prescribed by the superintendent pursuant to
2 paragraph one of subsection (e) of this section.

3 § 2. Section 3201 of the insurance law is amended by adding a new
4 subsection (e) to read as follows:

5 (e)(1) For purposes of this section, the following terms shall have
6 the following meanings:

7 (A) "Large group policyholder" shall mean a group with a minimum of
8 five hundred employees or members that either employ or contract with a
9 qualified benefits manager that shall satisfy the criteria set forth in
10 this subsection.

11 (B) (i) "Qualified benefits manager" means an individual that:

12 a. is a fiduciary under the Employee Retirement Income Security Act of
13 1974 (ERISA);

14 b. holds a bachelor's degree or higher from an accredited college or
15 university;

16 c. has a minimum of five years' experience analyzing, designing, or
17 advising groups defined herein regarding group benefit programs that
18 include, but are not limited to, life insurance, accident and health
19 insurance or annuity products; or

20 d. has a designation as a certified benefit plan administrator, certi-
21 fied employee benefit specialist from the international foundation of
22 employee benefit plans, certified benefits professional from world at
23 work, retirement plan professional issued by the american society of
24 pension professionals and actuaries, any other similar designation
25 issued by an accredited college or university, chartered life underwrit-
26 er (C.L.U.), or is a licensed insurance agent or broker pursuant to
27 article twenty-one of the this chapter; and

28 (ii) A qualified benefits manager shall not include an individual that
29 shall be employed by the insurer or fraternal benefit society issuing
30 the group policy or any person in the insurers' or fraternal benefit
31 society's holding company system.

32 (2) Notwithstanding anything in this section to the contrary, policy
33 forms delivered or issued for delivery in the state, policy forms deemed
34 to have been delivered in the state regardless of the place of actual
35 delivery, or policy forms specified in paragraph two of subsection (b)
36 of this section which shall have been issued to a large group policy-
37 holder as defined in subparagraph (A) of paragraph one of this
38 subsection and that are issued to groups defined in section three thou-
39 sand two hundred twenty-two of this article, except an agreement provid-
40 ing for periodic payments in satisfaction of a claim, section four thou-
41 sand two hundred sixteen of this chapter, other than policy forms to be
42 issued pursuant to paragraph three or fourteen of subsection (b) of such
43 section, and section four thousand two hundred thirty-eight of this
44 chapter are exempt from filing and approval under paragraph one of
45 subsection (b) of this section and filing for delivery outside this
46 state under paragraph two of subsection (b) of this section.

47 (3) The superintendent shall not have the authority to disapprove any
48 such policy form, but shall have the authority, after notice and a hear-
49 ing shall have been given to the insurer or fraternal benefit society
50 which issued any such policy form, to issue a cease and desist order to
51 such insurer or fraternal benefit society if the use of such form is
52 contrary to the requirements of this chapter or inconsistent with law at
53 the time of such order.

54 (4) The superintendent shall have authority to issue a cease and
55 desist order to such insurer or fraternal benefit society in the case of
56 any such policy form:

1 (A) pertaining to life insurance, annuity contract, group annuity
2 certificate, or funding agreement for a policy form issued for delivery
3 outside the state, if its issuance would be prejudicial to the interests
4 of policyholders or members;

5 (B) pertaining to life insurance, annuity contract, group annuity
6 certificate, or funding agreement for a policy form delivered or issued
7 for delivery within the state, if such form contains provisions which
8 are unjust, unfair or inequitable; or

9 (C) pertaining to certificates deemed to be delivered in this state
10 regardless of the place of actual delivery, if such certificate fails to
11 afford insureds protections substantially similar to those which shall
12 be provided by certificates delivered in the state.

13 (5) Any such cease and desist order shall be effective not less than
14 ninety days after such order is issued.

15 (6) Notwithstanding anything in this article or article forty-two of
16 this chapter to the contrary, any schedule of premium rates, commissions
17 or fees which shall relate to a group identified in this subsection and
18 are required to be filed pursuant to such articles, may immediately be
19 used by an insurer upon the mailing of such schedule to the superinten-
20 dent.

21 (7) Notwithstanding anything in this section to the contrary, any
22 group policy form which shall be exempt from filing or approval under
23 paragraph two of this subsection, may contain provisions which are, at
24 the minimum, as favorable as the provisions required by this article and
25 article forty-two of this chapter as determined by the issuer of such
26 group policy form.

27 (8) Every policy issued pursuant to this subsection shall contain a
28 notice to the group policyholder that such policy forms shall not be
29 subject to the filing and approval requirements of the state.

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