

STATE OF NEW YORK

5710

2025-2026 Regular Sessions

IN SENATE

February 28, 2025

Introduced by Sens. SKOUFIS, 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, in relation to prior authori-
zation and payments from the medical indemnity fund

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

1 Section 1. Paragraph (b) of subdivision 2 of section 2999-j of the
2 public health law, as amended by section 3 of part K of chapter 57 of
3 the laws of 2019, is amended and a new paragraph (b-1) is added to read
4 as follows:

5 (b) if any prior authorization is required by such regulation, the
6 regulation shall require that requests for prior authorization be proc-
7 essed within a reasonably prompt period of time and shall identify a
8 process for prompt administrative review of any denial of a request for
9 prior authorization; [~~and~~]

10 (b-1) if any prior authorization is required by such regulation, the
11 regulation shall require establishing a mechanism for submission of
12 requests for prior authorization by health care providers directly to
13 the fund; and

14 § 2. Paragraph (b) of subdivision 8 of section 2999-j of the public
15 health law, as added by section 52 of part H of chapter 59 of the laws
16 of 2011, is amended and a new paragraph (c) is added to read as follows:

17 (b) thereupon certify to the commissioner of taxation and finance
18 those costs that have been determined to be qualifying health care costs
19 to be paid from the fund[-]; and

20 (c) notify the qualified plaintiff which of such costs are qualifying
21 health care costs to be paid from the fund along with which of such
22 costs are not qualifying health care costs to be paid from the fund in a
23 reasonably prompt period of time.

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

LBD04765-01-5

1 § 3. Subdivision 5 and paragraph (a) of subdivision 6 of section
2 2999-i of the public health law, as amended by section 2 of part K of
3 chapter 57 of the laws of 2019, are amended to read as follows:

4 5. For the state fiscal year beginning April first, two thousand elev-
5 en and ending March thirty-first, two thousand twelve, the state fiscal
6 year beginning April first, two thousand twelve and ending March thir-
7 ty-first, two thousand thirteen, and the state fiscal year beginning
8 April first, two thousand thirteen and ending March thirty-first, two
9 thousand fourteen, the superintendent of financial services shall cause
10 to be deposited into the fund for each such fiscal year the amount
11 appropriated for such purpose. Beginning April first, two thousand four-
12 teen and annually thereafter, the superintendent of financial services
13 or the commissioner, whoever is administering the fund for the applica-
14 ble period shall cause to be deposited into the fund, subject to avail-
15 able appropriations, an amount equal to the difference between the
16 amount appropriated to the fund in the preceding fiscal year[7]. Begin-
17 ning April first, two thousand twenty-six, the commissioner or the
18 administrator of the fund for the applicable period shall cause to be
19 deposited into the fund an amount equal to the funding level necessary
20 to ensure the liabilities of the medical indemnity fund do not equal or
21 exceed eighty percent of the fund's assets as determined in the actuari-
22 al calculation set forth in paragraph (a) of subdivision six of this
23 section, as increased by the adjustment factor defined in subdivision
24 seven of this section[~~7, and the assets of the fund at the conclusion of~~
25 ~~that fiscal year~~].

26 (a) [~~Following~~] No later than sixty days following the deposit refer-
27 enced in subdivision five of this section, the commissioner shall
28 conduct an actuarial calculation of the estimated liabilities of the
29 fund for the coming year resulting from the qualified plaintiffs
30 enrolled in the fund and shall also conduct quarterly actuarial calcu-
31 lations. The department shall publicly post on its website such actuari-
32 al calculations within thirty days of completion. The administrator
33 shall from time to time adjust such calculation in accordance with
34 subdivision seven of this section. If the total of all estimates of
35 current liabilities equals or exceeds eighty percent of the fund's
36 assets, then the fund shall not accept any new enrollments until a new
37 deposit has been made pursuant to subdivision five of this section,
38 provided however, the department shall provide sixty days' notice on its
39 website before the fund suspends enrollments. When, as a result of such
40 new deposit, the fund's liabilities no longer exceed eighty percent of
41 the fund's assets, the fund administrator shall enroll new qualified
42 plaintiffs in the order that an application for enrollment has been
43 submitted in accordance with subdivision seven of section twenty-nine
44 hundred ninety-nine-j of this title. Notwithstanding any other
45 provision of this section, for the state fiscal year beginning April
46 first, two thousand twenty-five and ending March thirty-first, two thou-
47 sand twenty-six, the fund shall continue to accept new enrollments.

48 § 4. This act shall take effect immediately; provided, however, that
49 sections one and two of this act shall take effect on the ninetieth day
50 after it shall have become a law.