

STATE OF NEW YORK

5236

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 requiring actuarial certification of certain rate determinations made by the superintendent of financial services

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

1 Section 1. Paragraph 1 of subsection (d) and subparagraph (A) of para-
2 graph 1 of subsection (e) of section 3231 of the insurance law, para-
3 graph 1 of subsection (d) as amended by section 1 of part A of chapter
4 494 of the laws of 2009, and subparagraph (A) of paragraph 1 of
5 subsection (e) as amended by chapter 107 of the laws of 2010 and as
6 further amended by section 104 of part A of chapter 62 of the laws of
7 2011, are amended to read as follows:

8 (1) Notwithstanding any other provision of this chapter to the contra-
9 ry, no policy form subject to this section shall be issued or delivered,
10 nor any insurance contract entered into, unless and until the insurer
11 has filed with the superintendent a schedule of premiums, not to exceed
12 twelve months in duration, to be paid under the policy forms and
13 obtained the superintendent's approval thereof. The superintendent may
14 refuse such approval if [~~he or she~~] the superintendent finds that such
15 premiums are excessive, inadequate, or unfairly discriminatory. The
16 superintendent may consider the financial condition of such insurer in
17 approving or disapproving any premium. In determining whether to approve
18 the schedule of premiums filed, the superintendent shall, subject to the
19 provisions of section three thousand two hundred thirty-three of this
20 article, consider the prior experience of the insurer's community pool
21 and the insurer's projections relating to claim costs, utilization and
22 administrative expenses and shall not adjust the insurer's rates based
23 upon the rates approved for other insurers. All premium rate determi-
24 nations shall be certified by an actuary designated by the superinten-

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

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1 dent who meets the qualification standards established by the American
2 academy of actuaries, who shall follow the practice standards estab-
3 lished by the actuarial standards board, and who shall describe in
4 detail the actuarial assumptions and methods used in the superinten-
5 dent's determination.

6 (A) An insurer desiring to increase or decrease premiums for any poli-
7 cy form subject to this section shall submit a rate filing or applica-
8 tion to the superintendent.

9 An insurer shall send written notice of the proposed rate adjustment,
10 including the specific change requested, to each policy holder and
11 certificate holder affected by the adjustment on or before the date the
12 rate filing or application is submitted to the superintendent. The
13 notice shall prominently include mailing and website addresses for both
14 the department of financial services and the insurer through which a
15 person may, within thirty days from the date the rate filing or applica-
16 tion is submitted to the superintendent, contact the department of
17 financial services or insurer to receive additional information or to
18 submit written comments to the department of financial services on the
19 rate filing or application. The superintendent shall establish a process
20 to post on the department's website, in a timely manner, all relevant
21 written comments received pertaining to rate filings or applications.
22 The insurer shall provide a copy of the notice to the superintendent
23 with the rate filing or application. The superintendent shall immediate-
24 ly cause the notice to be posted on the department of financial
25 services' website. The superintendent shall determine whether the filing
26 or application shall become effective as filed, shall become effective
27 as modified, or shall be disapproved. The superintendent may modify or
28 disapprove the rate filing or application if the superintendent finds
29 that the premiums are unreasonable, excessive, inadequate, or unfairly
30 discriminatory, and may consider the financial condition of the insurer
31 when approving, modifying or disapproving any premium adjustment. The
32 determination of the superintendent shall be supported by sound actuari-
33 al assumptions and methods, and shall be rendered in writing between
34 thirty and sixty days from the date the rate filing or application is
35 submitted to the superintendent. Should the superintendent require addi-
36 tional information from the insurer in order to make a determination,
37 the superintendent shall require the insurer to furnish such informa-
38 tion, and in such event, the sixty days shall be tolled and shall resume
39 as of the date the insurer furnishes the information to the superinten-
40 dent. If the superintendent requests additional information less than
41 ten days from the expiration of the sixty days (exclusive of tolling),
42 the superintendent may extend the sixty day period an additional twenty
43 days to make a determination. The application or rate filing will be
44 deemed approved if a determination is not rendered within the time
45 allotted under this section. All rate determinations shall be certified
46 by an actuary designated by the superintendent who meets the qualifica-
47 tion standards established by the American academy of actuaries and who
48 shall follow the practice standards established by the actuarial stand-
49 ards board.

50 An insurer shall not implement a rate adjustment unless the
51 insurer provides at least sixty days advance written notice of the
52 premium rate adjustment approved by the superintendent to each policy
53 holder and certificate holder affected by the rate adjustment.

54 § 2. Subsection (b) and paragraph 2 of subsection (c) of section 4308
55 of the insurance law, as amended by chapter 107 of the laws of 2010, and
56 paragraph 2 of subsection (c) as further amended by section 104 of part
A of chapter 62 of the laws of 2011, are amended to read as follows:

1 (b) No corporation subject to the provisions of this article shall
2 enter into any contract unless and until it shall have filed with the
3 superintendent a schedule of the premiums or, if appropriate, rating
4 formula from which premiums are determined, to be paid under the
5 contracts and shall have obtained the superintendent's approval thereof.
6 The superintendent may refuse such approval if ~~he~~ the superintendent
7 finds that such premiums, or the premiums derived from the rating formu-
8 la, are excessive, inadequate or unfairly discriminatory, provided,
9 however, the superintendent may also consider the financial condition of
10 such corporation in approving or disapproving any premium or rating
11 formula. Any adjustments to an approved schedule of premiums or to the
12 approved rating formula for non-community rated contracts shall also be
13 subject to the approval of the superintendent provided, however, such
14 adjustments shall not be subject to the requirements of subsection (c)
15 of this section. Any premium or formula approved by the superintendent
16 shall make provision for such increase as may be necessary to meet the
17 requirements of a plan approved by the superintendent in the manner
18 prescribed in section four thousand three hundred ten of this article
19 for restoration of the statutory reserve fund required by such section.
20 Notwithstanding any other provision of law, the superintendent, as part
21 of the rate increase approval process, may defer, reduce or reject a
22 rate increase if, in the judgment of the superintendent, the salary
23 increases for senior level management executives employed at corpo-
24 rations subject to the provisions of this article are excessive or
25 unwarranted given the financial condition or overall performance of such
26 corporation. All rate determinations shall be certified by an actuary
27 designated by the superintendent who meets the qualification standards
28 established by the American academy of actuaries and who shall follow
29 the practice standards established by the actuarial standards board. The
30 superintendent is authorized to promulgate rules and regulations which
31 the superintendent deems necessary to carry out such deferral, reduction
32 or rejection.

33 (2) A corporation desiring to increase or decrease premiums for any
34 contract subject to this subsection shall submit a rate filing or appli-
35 cation to the superintendent. A corporation shall send written notice of
36 the proposed rate adjustment, including the specific change requested,
37 to each contract holder and subscriber affected by the adjustment on or
38 before the date the rate filing or application is submitted to the
39 superintendent. The notice shall prominently include mailing and website
40 addresses for both the department of financial services and the corpo-
41 ration through which a person may, within thirty days from the date the
42 rate filing or application is submitted to the superintendent, contact
43 the department of financial services or corporation to receive addi-
44 tional information or to submit written comments to the department of
45 financial services on the rate filing or application. The superintendent
46 shall establish a process to post on the department's website, in a
47 timely manner, all relevant written comments received pertaining to rate
48 filings or applications. The corporation shall provide a copy of the
49 notice to the superintendent with the rate filing or application. The
50 superintendent shall immediately cause the notice to be posted on the
51 department of financial services' website. The superintendent shall
52 determine whether the filing or application shall become effective as
53 filed, shall become effective as modified, or shall be disapproved. The
54 superintendent may modify or disapprove the rate filing or application
55 if the superintendent finds that the premiums are unreasonable, exces-
56 sive, inadequate, or unfairly discriminatory, and may consider the

1 financial condition of the corporation in approving, modifying or disap-
2 proving any premium adjustment. The determination of the superintendent
3 shall be supported by sound actuarial assumptions and methods, and shall
4 be rendered in writing between thirty and sixty days from the date the
5 rate filing or application is submitted to the superintendent. Should
6 the superintendent require additional information from the corporation
7 in order to make a determination, the superintendent shall require the
8 corporation to furnish such information, and in such event, the sixty
9 days shall be tolled and shall resume as of the date the corporation
10 furnishes the information to the superintendent. If the superintendent
11 requests additional information less than ten days from the expiration
12 of the sixty days (exclusive of tolling), the superintendent may extend
13 the sixty day period an additional twenty days, to make a determination.
14 The application or rate filing will be deemed approved if a determi-
15 nation is not rendered within the time allotted under this section. All
16 rate determinations shall be certified by an actuary designated by the
17 superintendent who meets the qualification standards established by the
18 American academy of actuaries and who shall follow the practice stand-
19 ards established by the actuarial standards board. A corporation shall
20 not implement a rate adjustment unless the corporation provides at least
21 sixty days advance written notice of the premium rate adjustment
22 approved by the superintendent to each contract holder and subscriber
23 affected by the rate adjustment.
24 § 3. This act shall take effect immediately.