

# STATE OF NEW YORK

7470

2025-2026 Regular Sessions

## IN SENATE

April 17, 2025

Introduced by Sens. HOYLMAN-SIGAL, CLEARE, COONEY, GALLIVAN, RIVERA, SKOUFIS, WEBB -- read twice and ordered printed, and when printed to be committed to the Committee on Insurance

AN ACT to amend the insurance law and the public health law, in relation to requiring insurers and health plans to grant automatic preauthorization approvals to eligible health care professionals in certain circumstances

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

1 Section 1. Subsection (a) of section 4902 of the insurance law is  
2 amended by adding a new paragraph 17 to read as follows:

3 (17) Establishment of automatic preauthorization approval requirements  
4 for insurers to provide to health care professionals providing health  
5 care services which shall include that:

6 (i) an insurer that uses a preauthorization process for health care  
7 services shall provide an automatic preauthorization approval to a  
8 health care professional for a particular health care service, as  
9 defined under this title including but not limited to health care proce-  
10 dures, treatments, services, pharmaceutical products, services or dura-  
11 ble medical equipment if, in the most recent six-month evaluation peri-  
12 od, the insurer has approved not less than ninety percent of the  
13 preauthorization requests submitted by such health care professional for  
14 the particular health care service. For the purposes of this require-  
15 ment, a preauthorization request submitted during the evaluation period  
16 shall be considered and counted as a single request and single approval  
17 if the request was approved at any point between the date the request  
18 was submitted by the health care professional and the final determi-  
19 nation by the insurer, including any re-review or appeal process. Each  
20 insurer shall complete its initial evaluation and issue its determi-  
21 nation to each health care professional in its network no later than one  
22 hundred eighty days after the effective date of this paragraph. The

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

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1 automatic preauthorization approval shall become effective two hundred  
2 twenty-five days after the effective date of this paragraph;

3 (ii) after the initial evaluation has been completed the insurer shall  
4 annually thereafter evaluate whether a health care professional quali-  
5 fies for an automatic preauthorization approval under subparagraph (i)  
6 of this paragraph for additional health care services. Each year, the  
7 evaluation shall review preauthorization determinations made in the  
8 first six months of the year. Each insurer shall issue its determination  
9 to each health care professional in its network no later than November  
10 fifteenth to be effective January first of the following year;

11 (iii) the insurer may continue the automatic preauthorization approval  
12 under subparagraph (i) of this paragraph without evaluating whether the  
13 health care professional qualifies for automatic preauthorization  
14 approval for a particular evaluation period;

15 (iv) a health care professional shall not be required to request an  
16 automatic preauthorization approval to qualify for such approval;

17 (v) a health care professional's automatic preauthorization approval  
18 under subparagraph (i) of this paragraph shall remain in effect until  
19 the thirtieth calendar day after:

20 (A) the date the insurer notifies the health care professional of the  
21 insurer's determination to rescind the automatic preauthorization  
22 approval pursuant to subparagraph (vii) of this paragraph if the health  
23 care professional does not appeal such determination; or

24 (B) where the health care professional appeals the determination, the  
25 date the insurer notifies the health care professional that an independ-  
26 ent review organization has affirmed the insurer's determination to  
27 rescind the automatic preauthorization approval;

28 (vi) where an insurer does not finalize a rescission determination as  
29 specified in subparagraph (vii) of this paragraph, the health care  
30 professional shall be considered to have met the criteria to continue to  
31 qualify for the automatic preauthorization approval, which shall remain  
32 in effect until the following evaluation period;

33 (vii) an insurer may rescind an automatic preauthorization approval  
34 under subparagraph (i) of this paragraph only:

35 (A) effective January of each year;

36 (B) if the insurer makes a determination on the basis of a retrospec-  
37 tive review as specified in subparagraph (ii) of this paragraph for the  
38 most recent evaluation period that less than ninety percent of the  
39 claims for the particular health care service met the medical necessity  
40 criteria that would have been used by the insurer when conducting preau-  
41 thorization review for the particular health care service during the  
42 relevant evaluation period; and

43 (C) the insurer complies with all other applicable requirements of  
44 this paragraph and the insurer notifies the health care professional not  
45 less than thirty calendar days before the proposed rescission is to take  
46 effect, together with the sample of claims used to make the determi-  
47 nation pursuant to clause (B) of this subparagraph and a plain language  
48 explanation of the health care professional's right to appeal such  
49 determination and instructions on how to initiate such appeal;

50 (viii) notwithstanding any contrary provision of subparagraph (i) of  
51 this paragraph, an insurer may deny an automatic preauthorization  
52 approval:

53 (A) if the health care professional does not have the approval at the  
54 time of the relevant evaluation period; and

55 (B) the insurer provides the health care professional with actual  
56 statistics and data for the relevant preauthorization request evaluation

1 period and detailed information sufficient to demonstrate that the  
2 health care professional does not meet the criteria for an automatic  
3 preauthorization approval pursuant to subparagraph (i) of this paragraph  
4 for the particular health care service;

5 (ix) after a final determination or review affirming the rescission or  
6 denial of an automatic preauthorization approval for a specific health  
7 care service under this paragraph, a health care professional shall be  
8 eligible for consideration of such approval for the same health care  
9 service after the evaluation period following the evaluation period  
10 which formed the basis of the rescission or denial of such approval;

11 (x) the insurer shall, not later than five business days after deter-  
12 mining that a health care professional qualifies for an automatic preau-  
13 thorization approval pursuant to subparagraph (i) of this paragraph,  
14 provide to a health care professional a notice that shall include:

15 (A) a statement that the health care professional qualifies for an  
16 automatic preauthorization approval pursuant to this paragraph;

17 (B) a description of the health care services to which such automatic  
18 preauthorization applies; and

19 (C) a statement of the duration that such automatic approval shall  
20 remain in effect;

21 (xi) when the health care professional submits a preauthorization  
22 request for a health care service for which the health care professional  
23 qualifies for an automatic preauthorization approval under subparagraph  
24 (i) of this paragraph, the insurer shall promptly issue an automatic  
25 preauthorization approval for such health care service;

26 (xii) nothing in this paragraph may be construed to:

27 (A) authorize a health care professional to provide a health care  
28 service outside the scope of such health care professional's applicable  
29 license; or

30 (B) prohibit a health insurer from performing a retrospective review  
31 of the health care service pursuant to section forty-nine hundred three  
32 of this title;

33 (xiii) when a health care professional provides a health care service  
34 covered by the health care professional's automatic preauthorization  
35 approval, the service is deemed medically necessary by virtue of the  
36 automatic preauthorization approval. For every claim submitted by a  
37 health care professional for such service, each insurer shall promptly  
38 pay the full payment to the health care professional. An insurer is  
39 prohibited from denying, withholding, or reducing payment to a health  
40 care professional for such health care service. An insurer may not  
41 retroactively deny, reduce, or recoup payment from a health care profes-  
42 sional for such health care service for reasons related to medical  
43 necessity or appropriateness of care;

44 (xiv) an insurer may not retroactively deny, reduce, or recoup payment  
45 from a health care professional for a health care service for which the  
46 health care professional has qualified for an automatic preauthorization  
47 approval under subparagraph (i) of this paragraph unless the insurer has  
48 proven that the health care professional:

49 (A) knowingly and materially misrepresented the health care service in  
50 a request for preauthorization or payment submitted to the insurer with  
51 the specific intent to deceive and obtain an unlawful payment from the  
52 insurer; or

53 (B) failed to substantially perform the health care service;

54 (xv) an insurer may not retroactively deny, reduce or recoup payment  
55 from a health care professional for a health care service for which the  
56 health care professional has qualified for an automatic preauthorization

1 approval solely on the basis of the rescission of the health care  
2 professional's automatic preauthorization approval. Nothing herein shall  
3 limit a health care professional's ability to file a complaint with the  
4 department;

5 (xvi) the insurer shall make available and submit to the superinten-  
6 dent, at the superintendent's request, documentation that describes the  
7 insurer's process for:

8 (A) determining the specific health care service or services for which  
9 an individual health care professional is granted an automatic preau-  
10 thorization approval; and

11 (B) any other activity, policy, decision, or determination related to  
12 automatic preauthorization approvals; and

13 (xvii) the superintendent shall promulgate regulations to implement  
14 the requirements of this section and establish additional minimum stand-  
15 ards as appropriate.

16 § 2. Subdivision 1 of section 4902 of the public health law is amended  
17 by adding a new paragraph (m) to read as follows:

18 (m) Establishment of automatic preauthorization approval requirements  
19 for health care plans to provide to health care professionals providing  
20 certain health care services which shall include that:

21 (i) a health care plan that uses a preauthorization process for health  
22 care services shall provide an automatic preauthorization approval to a  
23 health care professional for a particular health care service if, as  
24 defined under this title including but not limited to health care proce-  
25 dures, treatments, services, pharmaceutical products, services or dura-  
26 ble medical equipment, in the most recent six-month evaluation period,  
27 the health care plan has approved not less than ninety percent of the  
28 preauthorization requests submitted by such health care professional for  
29 the particular health care service. For the purposes of this require-  
30 ment, a preauthorization request submitted during the evaluation period  
31 shall be considered and counted as a single request and single approval  
32 if the request was approved at any point between the date the request  
33 was submitted by the health care professional and the final determi-  
34 nation by the health care plan, including any re-review or appeal proc-  
35 ess. Each insurer shall complete its initial evaluation and issue its  
36 determination to each health care professional in its network no later  
37 than one hundred eighty days after the effective date of this paragraph.  
38 The automatic preauthorization approval shall become effective two  
39 hundred twenty-five days after the effective date of this paragraph;

40 (ii) after the initial evaluation has been completed the health care  
41 plan shall annually thereafter evaluate whether a health care profes-  
42 sional qualifies for an automatic preauthorization approval under  
43 subparagraph (i) of this paragraph for additional health care services.  
44 Each year, the evaluation shall review preauthorization determinations  
45 made in the first six months of the year. Each health care plan shall  
46 issue its determination to each health care professional in its network  
47 no later than November fifteenth to be effective January first of the  
48 following year;

49 (iii) the health care plan may continue the automatic preauthorization  
50 approval under subparagraph (i) of this paragraph without evaluating  
51 whether the health care professional qualifies for the automatic preau-  
52 thorization approval for a particular evaluation period;

53 (iv) a health care professional shall not be required to request an  
54 automatic preauthorization approval to qualify for such approval;

1 (v) a health care professional's automatic preauthorization approval  
2 under subparagraph (i) of this paragraph shall remain in effect until  
3 the thirtieth calendar day after:

4 (A) the date the health care plan notifies the health care profes-  
5 sional of the health care plan's determination to rescind the automatic  
6 preauthorization approval pursuant to subparagraph (vii) of this para-  
7 graph if the health care professional does not appeal such determi-  
8 nation; or

9 (B) where the health care professional appeals the determination, the  
10 date the health care plan notifies the health care professional that an  
11 independent review organization has affirmed the health care plan's  
12 determination to rescind the automatic preauthorization approval;

13 (vi) where a health care plan does not finalize a rescission determi-  
14 nation as specified in subparagraph (vii) of this paragraph, the health  
15 care professional shall be considered to have met the criteria to  
16 continue to qualify for the automatic preauthorization approval, which  
17 shall remain in effect until the following evaluation period;

18 (vii) a health care plan may rescind an exemption from preauthori-  
19 zation requirements under subparagraph (i) of this paragraph only:

20 (A) effective January each year;

21 (B) if the health care plan makes a determination on the basis of a  
22 retrospective review as specified in subparagraph (ii) of this paragraph  
23 for the most recent evaluation period that less than ninety percent of  
24 the claims for the particular health care service met the medical neces-  
25 sity criteria that would have been used by the health care plan when  
26 conducting preauthorization review for the particular health care  
27 service during the relevant evaluation period; and

28 (C) the health care plan complies with all other applicable require-  
29 ments of this paragraph and the health care plan notifies the health  
30 care professional not less than thirty calendar days before the proposed  
31 rescission is to take effect, together with the sample of claims used to  
32 make the determination pursuant to clause (B) of this subparagraph and a  
33 plain language explanation of the health care professional's right to  
34 appeal such determination and instructions on how to initiate such  
35 appeal;

36 (viii) notwithstanding any contrary provision of subparagraph (i) of  
37 this paragraph, a health care plan may deny an automatic preauthori-  
38 zation approval:

39 (A) if the health care professional does not have the approval at the  
40 time of the relevant evaluation period; and

41 (B) the health care plan provides the health care professional with  
42 actual statistics and data for the relevant preauthorization request  
43 evaluation period and detailed information sufficient to demonstrate  
44 that the health care professional does not meet the criteria for an  
45 automatic preauthorization approval pursuant to subparagraph (i) of this  
46 paragraph for the particular health care service;

47 (ix) after a final determination or review affirming the rescission or  
48 denial of an automatic preauthorization approval for a specific health  
49 care service under this paragraph, a health care professional shall be  
50 eligible for consideration of such approval for the same health care  
51 service after the evaluation period following the evaluation period  
52 which formed the basis of the rescission or denial of such approval;

53 (x) the health care plan shall, not later than five business days  
54 after determining that a health care professional qualifies for an auto-  
55 matic preauthorization approval pursuant to subparagraph (i) of this

1 paragraph, provide to a health care professional a notice that shall  
2 include:

3 (A) a statement that the health care professional qualifies for an  
4 automatic preauthorization approval pursuant to this paragraph;

5 (B) a description of the health care services to which such automatic  
6 preauthorization approval applies; and

7 (C) a statement of the duration that such automatic approval shall  
8 remain in effect;

9 (xi) when the health care professional submits a preauthorization  
10 request for a health care service for which the health care professional  
11 qualifies for an automatic preauthorization approval under subparagraph  
12 (i) of this paragraph, the health care plan shall promptly issue an  
13 automatic preauthorization approval for such health care service;

14 (xii) nothing in this paragraph shall be construed to:

15 (A) authorize a health care professional to provide a health care  
16 service outside the scope of such health care professional's applicable  
17 license; or

18 (B) prohibit a health care plan from performing a retrospective review  
19 of the health care service pursuant to section forty-nine hundred three  
20 of this title;

21 (xiii) when a health care professional provides a health care service  
22 covered by the health care professional's automatic preauthorization  
23 approval, the service is deemed medically necessary by virtue of the  
24 automatic preauthorization approval. For every claim submitted by a  
25 health care professional for such service, each health care plan shall  
26 promptly pay the full payment to the health care professional. A health  
27 care plan is prohibited from denying, withholding, or reducing payment  
28 to a health care professional for such health care service. A health  
29 care plan may not retroactively deny, reduce, or recoup payment from a  
30 health care professional for such health care service for reasons  
31 related to medical necessity or appropriateness of care;

32 (xiv) a health care plan may not retroactively deny, reduce, or recoup  
33 payment from a health care professional for a health care service for  
34 which the health care professional has qualified for an automatic preau-  
35 thorization approval under subparagraph (i) of this paragraph unless the  
36 health care plan has proven that the health care professional:

37 (A) knowingly and materially misrepresented the health care service in  
38 a request for preauthorization or payment submitted to the health care  
39 plan with the specific intent to deceive and obtain an unlawful payment  
40 from the health care plan; or

41 (B) failed to substantially perform the health care service;

42 (xv) a health care plan may not retroactively deny, reduce or recoup  
43 payment from a health care professional for a health care service for  
44 which the health care professional has qualified for an automatic preau-  
45 thorization approval solely on the basis of the rescission of the health  
46 care professional's automatic preauthorization approval. Nothing herein  
47 shall limit a health care professional's ability to file a complaint  
48 with the department;

49 (xvi) the health care plan shall make available and submit to the  
50 commissioner, at the commissioner's request, documentation that  
51 describes the health care plan's process for:

52 (A) determining the specific health care service or services for which  
53 an individual health care professional is granted an automatic preau-  
54 thorization approval; and

55 (B) any other activity, policy, decision, or determination related to  
56 automatic preauthorization approvals; and

1 (xvii) the commissioner, in consultation with the superintendent,  
2 shall promulgate regulations to implement the requirements of this  
3 section and establish additional minimum standards as appropriate.  
4 § 3. This act shall take effect on the one hundred eightieth day after  
5 it shall have become a law.