§ 3217. Minimum standards in the form, content and sale of accident and health insurance; policies and subscriber contracts. (a) The superintendent shall issue such regulations he deems necessary or desirable to establish minimum standards, including standards of full and fair disclosure, for the form, content and sale of accident and health insurance policies and subscriber contracts of corporations organized under this article and article forty-three of this chapter or entities licensed pursuant to article forty-four of the public health law. With regard to contracts issued pursuant to such articles which incorporate a usual and customary or reasonable form of reimbursement, such regulations shall require such schedules to be updated periodically, to accurately reflect geographic differences in costs and that information be furnished to insureds regarding the method upon which the usual and customary or reasonable charge is determined and the percentile of charges upon which the schedule is based. Such regulations shall also require, in addition to such other information as the superintendent deems necessary, the disclosure of the reimbursement for a particular elective surgical procedure or treatment, upon written request by an insured, subscriber or enrollee. Such regulations may apply to all, any portion or reasonable classifications of such policies or contracts.

(b) The purposes of such minimum standards shall include any or all of the following:

(1) reasonable standardization and simplification of coverages to facilitate understanding and comparisons;

(2) elimination of provisions which may be misleading or unreasonably confusing, in connection either with the purchase of such policies or contracts or with the settlement of claims;

(3) elimination of deceptive practices in connection with the sale of such policies or contracts;

(4) elimination of provisions which may be contrary to the health care needs of the public, as certified to the superintendent by the commissioner of health; and

(5) elimination of coverages which are so limited in scope as to be of no substantial economic value to the holders.

(c) Prior to the issuance of regulations pursuant to this section, the superintendent shall afford the public, including the companies affected

thereby, reasonable opportunity for comment and shall obtain the views, in writing, of the commissioner of health and the secretary of state.

(d) When a regulation adopted pursuant to this section so provides, all forms of such policies or contracts which are not in compliance with such regulation shall be deemed to be disapproved for use without any further or additional notice after a date to be specified in such regulation which date shall not be less than sixty days following its effective date.

(e) When a regulation adopted pursuant to this section so provides, any such policy or contract which does not comply with the regulation shall, when issued after a date not less than sixty days from the effective date of such regulation, be construed, and the insurer or corporation shall be liable, as if the policy or contract did comply with the regulation.

(f) Violation of any regulation adopted pursuant to this section shall be a violation of this chapter for purposes of section one hundred nine of this chapter.