

NEW YORK STATE ASSEMBLY • SHELDON SILVER, SPEAKER



# 2014 ANNUAL REPORT



Committee on  
Insurance

*Kevin A. Cahill, Chair*



KEVIN A. CAHILL  
Assemblymember 103<sup>rd</sup> District

CHAIR  
Assembly Insurance Committee

THE ASSEMBLY  
STATE OF NEW YORK  
ALBANY

COMMITTEES  
Ways and Means  
Economic Development, Job Creation,  
Commerce & Industry  
Ethics and Guidance  
Health  
Higher Education

December 15, 2014

Speaker of the Assembly  
Room 932 – Legislative Office Building  
Albany, New York 12248

Dear Speaker:

I hereby submit to you the 2014 Annual Report for the Committee on Insurance. I am pleased to report that thanks to the due diligence and dedication of the members and with the help of Assembly leadership, the Committee had a productive session.

In response to reports of an alarming increase in heroin use, the Assembly Committees on Insurance, Alcoholism and Substance Abuse, and Health conducted a roundtable to examine health insurance coverage for substance abuse disorder treatments. At the roundtable, the participants stated that patients often find it difficult to obtain coverage for the services that they need, that insurers often require patients to fail at outpatient treatment before approving coverage for inpatient treatment, and that insurers use varying criteria to evaluate treatment requests. The Committees acted immediately to address these concerns: devising a bill (Chapter 41) that improves health insurance coverage for these services by requiring insurers to use standardized criteria when evaluating treatment requests and requiring insurers to provide coverage for inpatient services throughout the appeals process when a claim is denied.

The 2014 – 15 enacted budget included significant reforms in New York State's title insurance industry and out-of-network insurance coverage. Title insurance agents are now required to adhere to licensure requirements promulgated by the Department of Financial Services (DFS). With regard to out-of-network insurance coverage, the Committee strengthened protections against surprise medical billing and increased access to necessary out-of-network care to safeguard the health care needs of consumers.

In the area of life insurance, the Assembly passed a bill that expands consumer protections related to the Life Insurance Company Guaranty Corporation by ensuring that all impacted policyholders have access to the Guaranty Corporation as appropriate, removing the assessment cap, and allowing the creation of resolution facilities (A.9915 – Cahill).

In the area of automobile insurance, the Committee paid significant attention to the issues that were raised at the Automobile Insurance Hearing it hosted this past April. A comprehensive auto package was developed in response to the extensive testimony that was delivered to the Committee. This package of bills would help New York's consumers by requiring DFS to conduct a study to determine the adequacy of the current mandatory minimum coverage amounts for private passenger auto insurance and to report on the impact of raising such amounts (A.10115 – Brennan) and prohibiting auto insurers from discriminating against consumers based upon their education or occupation (A.9935 – Crespo); both bills passed the Assembly. Additionally, the Committee held a joint hearing with the Committee on Labor to discuss proposed modifications to the state workers' compensation/no-fault provider fee schedule and is still investigating the potential impacts that the changes might have to access to quality care for injured persons.

In the area of property and casualty insurance, the Committee continued to closely review the issues associated with the widespread devastation caused by natural disasters such as Hurricane Irene, Tropical Storm Lee, and Superstorm Sandy. The Committee took action with legislation that would ensure policyholders have reliable, adequate insurance coverage in the event of future disasters with the creation of a Disaster Task Force (A.1093-C – Skoufis), which passed both Houses, as well as legislation that would increase consumer education by requiring that disclosures of coverage and policy exclusions be written in plain language through the creation of the Homeowner's Bill of Rights (A.2287-A – Silver), which passed the Assembly.

While the 2014 Session has proven to be productive, we are already preparing for the important work that lies ahead. The Insurance Committee stands ready to meet the upcoming 2015 legislative session with an unwavering commitment to policy proposals that will further aid consumers and improve the insurance industry within the state of New York. I thank the members and staff of the Committee for their hard work during this past session.

I look forward to working with you, Mr. Speaker, as we continue to support legislative policies that protect New York's consumers.

Sincerely,

A handwritten signature in black ink that reads "Kevin A. Cahill". The signature is written in a cursive, flowing style.

Kevin A. Cahill  
Chairman  
New York State Assembly  
Standing Committee on Insurance

NEW YORK STATE ASSEMBLY  
STANDING COMMITTEE ON INSURANCE

Kevin A. Cahill, Chair

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## ▪ 2014 – 15 Budget ▪

The Committee worked earnestly on significant legislative reforms in the SFY 2014 – 15 Budget. Several insurance-related provisions were negotiated that provide meaningful changes to New York State's title insurance industry and out-of-network insurance coverage.

### **Title Insurance (Chapter 57 of the Laws of 2014, Part V, A.8557-D/S.6357-D – Budget)**

The SFY 2014 – 15 enacted Budget includes various consumer protection measures requiring title insurance agents operating within the State of New York to be licensed by the Department of Financial Services (DFS). Such agents are now responsible for any person or entity they authorize to act on their behalf. The legislation also compels individuals with financial interests in the title agency to disclose those interests when making a referral. The budget requires DFS to adopt and enforce rules and regulations that apply Real Estate Settlement Procedures Act (RESPA) standards, including those prohibiting rebates, for all types of transactions. The Budget also mandates pre-licensing competency examinations and continuing education requirements to maintain the high standards of professionalism necessary for title insurance agents to properly conduct business within New York State. In addition, the Budget grandfathers title insurance agents who can demonstrate to the Superintendent that they have continuously performed the functions of a title agent for at least five years prior to applying for such license; such agents will now have one year from the effective date to apply for a license.

### **Out-of-Network (Chapter 60 of the Laws of 2014, Part H, A.9205/S.6914 – Budget)**

The Committee worked tirelessly in the 2014-2015 Budget to prevent surprise medical bills, facilitate reasonable access to out-of-network coverage, prohibit excessive emergency charges, and fulfill network adequacy and claim submission requirements. The changes that will come from this hard fought legislation will ensure that consumers who seek medical attention from an out-of-network provider will be properly informed of the charges that they may incur and that, in the event of a dispute for a bill for emergency services or a surprise bill between insurers and providers, the consumer will be held harmless and not have their claim fall subject to a long, protracted hearing process.

## ▪ HEALTH INSURANCE ▪

### A. Ostomy Supplies

*A.8137-A Magnarelli / S.5937-A Valesky  
Chapter 364 of the Laws of 2014*

This chapter reinforces the requirement that all policies providing medical coverage that includes major medical or similar comprehensive type coverage must include coverage for the necessary equipment and health supplies for the treatment of ostomies. Furthermore, the chapter establishes that coverage shall include: flanges; collection bags; clamps; irrigation devices; sanitizing products; ostomy rings; ostomy belts; and any additional medically necessary ostomy equipment and related supplies pursuant to regulation promulgated by the Commissioner of the Department of Health.

### B. Health Insurance Demonstration Program

*A.8398 Morelle / S.6252 Robach  
Chapter 13 of the Laws of 2014*

This chapter is a technical amendment to ensure that Chapter 488 of the Laws of 2013 is consistent with the intent of the statute it amended. The chapter clarifies that the time limit for a health insurer to apply to the Superintendent of Financial Services to provide coverage under the health insurance demonstration program for early retirees does not apply but that it does apply for insurers applying under the health insurance demonstration program for independent workers.

### C. Health Insurer Affiliates

*A.9208 Cahill / S.6960 Seward  
Chapter 388 of the Laws of 2014*

This chapter gives the Superintendent of the Department of Financial Services the authority to approve requests made by health insurers, upon consideration of the public interest, to satisfy their requirements that they issue replacement coverage in the case of a class discontinuance of individual coverage and issue individual conversion coverage through another entity within the insurer's holding company system.

*D. Student Health Plans*

*A.9604 Morelle / S.7317 Seward  
Chapter 124 of the Laws of 2014*

This chapter clarifies that universities that self-insure their student health plans must account for the health plan's funds separate and apart from all other assets, liabilities, income, and other expenses of the university. In addition, the chapter shortens the amount of time that a university must comply with an order from the Superintendent of the Department of Financial Services to deposit additional reserve funds from 30 days to 5 days.

*E. Ostomy*

*A.10140 Magnarelli / S.7893 Valesky  
Chapter 377 of the Laws of 2014*

This is a chapter amendment that would clarify that the ostomy mandate is identical to the coverage provided under the essential benefits package, thereby avoiding any cost to the state but ensuring that consumers receive the supplies they need.

*F. Substance Abuse Disorder*

*A.10164 Cusick / S.7912 Seward  
Chapter 41 of the Laws of 2014*

The recent rise in heroin addiction has led to an increased need for treatment services for substance abuse disorder. This chapter does the following to address this problem: improves access to care by requiring coverage for inpatient and outpatient diagnosis and treatment for substance abuse disorder, including detoxification and rehabilitation, to be consistent with the federal parity laws; requires insurers to use peer-reviewed, clinical review criteria when making decisions regarding the medical necessity of treatment for persons suffering from substance abuse disorders; requires that medical necessity decisions be made by medical professionals who specialize in behavioral health and substance use; and ensures that individuals requiring treatment have access to an expedited appeals process and that they are not denied care while the appeals process is underway.

*G. Nurse Surgical First Assistants  
A.2753-A Lavine / S.3056-A Little*

This bill would require health insurers, Medicaid, Family Health Plus, and workers' compensation policies to provide reimbursement for services provided by a registered nurse first assistant (RNFA) when acting in the capacity of a non-physician surgical first assistant provided that: the RNFA is certified in operating room nursing; the RNFA is employed by a physician who bills for services; the policy otherwise provides for such services; and the services are within the scope of practice of a non-physician surgical first assistant.

This bill would not prevent a health insurance policy from requiring services through a network of participating providers or prevent an insurer from directly reimbursing a non-physician surgical first assistant.

This bill passed the Assembly.

*H. Extrapolation  
A.3088-C Lavine / S.5015-B Hannon*

This bill would require health care plans that use extrapolation in determining whether health care providers have received overpayments to comply with the following requirements:

- Provide written notice to the health care provider that extrapolation will be utilized;
- Apply a valid statistical methodology that uses stratified random sampling methods to assure a fair evaluation of the claims subject to audit;
- Inform the health care provider as to the type of methodology used;
- Provide the health care provider sixty business days to appeal the audit findings; and
- In the event of an appeal of the audit findings, allow the health care provider to seek a review of the findings by a mutually agreed upon independent third party auditor whose costs shall be shared equally between the parties.

This bill passed the Assembly.

I. Mail Order Pharmacies

*A.5723-B Heastie / S.3995-B Maziarz*

This bill would clarify that a health insurer cannot require an insured to use a mail order pharmacy so long as the local retail pharmacy agrees to the same reimbursement amount as the mail order pharmacies and would remove the requirement that the local retail pharmacy also agree to the same terms and conditions as the mail order pharmacies.

This bill passed the Assembly.

J. Prosthetic Devices for Veterans

*A.6820-C Crespo / S.5390-C Parker*

This bill would require health insurers that cover durable medical equipment to include coverage for prosthetic devices for veterans of the armed forces who are residents of New York on parity with the coverage for durable medical equipment. Additionally, the bill would establish a definition of "prosthetic devices," which would include an artificial limb, but shall not include shoes or any other article considered as ordinary wearing apparel. It also defines "policy holders" as a veteran of the armed forces who resides in the state of New York and whose need for a prosthetic device resulted from an injury suffered in the line of duty.

This bill passed the Assembly.

K. Health Insurance Discontinuances

*A.7295 Cahill / S.4328 Seward*

This bill would require health insurers to only discontinue a class of policies in the small or large group markets at the time of coverage renewal. The Superintendent of Financial Services would have the authority to allow another date for the discontinuance if it is determined that continuing the policies would jeopardize an insurer's solvency, would not be in the best interest of the policyholders or the public, discontinuance is necessary to permit the insurer to standardize its policy or contract forms, or another date is necessary to permit an orderly discontinuance.

This bill would also require a health insurer to submit a written plan to the Superintendent for approval that describes how the insurer plans to minimize potential disruption in the marketplace occasioned by the discontinuance.

This bill passed the Assembly.

L. Medicare Supplemental Insurance Policies

*A.7981-A Cook / No Same As*

This bill would require health insurers to inform policyholders in a closed block of Medicare supplemental insurance policies of the availability of different policies from the same insurer that offer similar benefits at a lower premium. In addition, insurers would have to provide a toll free telephone number and website where these policyholders can find information on similar policies offered by other insurers. This information would have to be provided when the insurer notifies the insured of a change in either the premium or benefits of such policies and upon renewal.

This bill passed the Assembly.

M. Third Party Payments

*A.10091 Cahill / S.7500-A Hannon*

This bill would prohibit health insurers from rejecting premium payments and any required cost-sharing for policies sold in the individual market from third parties if made by an Indian Tribe, Tribal Organization, any federal or state government program or grantee, or a private, not-for-profit foundation on behalf of an insured. Payments from private, not-for-profit foundations would have to be on behalf of insureds who satisfy defined criteria based on financial status and shall not take into account an insured's health status.

This bill passed the Assembly.

N. Health Insurance Intoxication

*A.571 Dinowitz / No Same As*

This bill would remove the authorization for health insurers to deny coverage if an insured covered under an individual policy is found to have been injured while under the influence. This bill would make the for-profit insurance law consistent with provisions regulating the claims not-for-profits carriers. Additionally it would protect medical providers who treat injured people.

This bill was advanced to the Third Reading Calendar.

## ▪ PROPERTY / CASUALTY INSURANCE ▪

### A. Conflict of Interest

*A.4833-A Magee / S.3539-A Seward*

*Chapter 410 of the Laws of 2014*

This chapter authorizes the Superintendent of the Department of Financial Services, upon receipt of application, to approve a request by a domestic mutual insurance corporation which has an officer or director that possesses a pecuniary interest in an insurance producer to enter into an agreement with such producer if: the insurance corporation's policyholders will not be adversely affected by said agreement; the officer or director has no pecuniary interest directly in the insurance producer; and any benefit to the officer or director that accrues as a result of the agreement would not be material in relation to the insurance corporation's overall premium volume.

Additionally, the chapter requires the Superintendent to review these agreements annually and authorizes the Superintendent to revoke approval if the agreements are no longer in compliance with the requirements of the bill.

### B. Fire Insurance Appraisals

*A.9346-A Morelle / S.4756-A DeFrancisco*

*Chapter 451 of the Laws of 2014*

This bill would require that the extent of the loss or damage be considered when processing disputes through the appraisal process in the event of a covered loss under a fire insurance policy. In addition, the bill states that a court order of an appraisal has no influence on the determination of whether or not the policy actually provides coverage for any portion of the claimed loss or damage.

### C. Certificates of Insurance

*A.9590 Morelle / S.6545-A Seward*

*Chapter 552 of the Laws of 2014*

This bill would establish specific guidelines for the issuance of certificates of insurance. The bill sets forth prohibited practices, including but not limited to the alteration or modification of a certificate of insurance form, requesting the issuance of a certificate that contains false or misleading information, requiring the issuance of a certificate containing false or misleading information, the issuance of a certificate that changes the terms or coverage provided by the insurance policy, or the issuance of an opinion letter or similar document that would be inconsistent with the provisions of this new article. It further prohibits requesting or requiring a certificate that contains additional terms, conditions, or language not found in the underlying insurance policy or a certificate making reference to any contract other

than the underlying insurance policy. However, the bill would allow for an addendum with clarifying information to accompany the certificate of insurance pending the approval of the insurer. This bill would apply to all certificate holders, policyholders, insurers, and insurance producers as well as all certificates issued as evidence of insurance on property, operations, or risks located in the State of New York.

Furthermore, the Department of Financial Services would have the power under the Financial Services Law to investigate any person who is suspected of violating the provisions of this bill. The Office of the State Inspector General would have the power to investigate any governmental entity within its jurisdiction when there is a suspicion that such entity has violated the provisions of this bill. For governmental entities not under the Inspector General's jurisdiction, which includes local governments, state authorities, and multi-state and multi-national authorities, investigation and enforcement authority would reside with the entity with the proper authority to investigate such governmental entities. The bill authorizes the superintendent of the Department of Financial Services to adopt rules and regulations to implement the provisions of the bill.

This bill passed both Houses.

*D. Information Systems Technology  
A.9793 Brindisi / S.7353 Seward  
Chapter 527 of the Laws of 2014*

This bill would authorize domestic mutual and cooperative property/casualty insurance companies to exceed their annual cap for management expenses by 5% for no more than 6 years in order to make a new system upgrade upon approval by the Superintendent of the Department of Financial Services. Furthermore, the bill restricts these insurance companies from increasing premiums solely as a result of the management expenses cap being exceeded and provides that under no circumstances can an insurance company increase premiums specifically to account for this new system upgrade. The bill defines a "new system upgrade" as the acquisition of electronic data processing apparatus and related equipment constituting data processing, record keeping or accounting system, and operating or non-operating software.

*E. Disasters Task Force*

*A.1093-C Skoufis / S.4235-B Latimer*

*Veto 527 of 2014*

This bill would create an eighteen-member task force to examine how insurers who write homeowners and commercial insurance policies respond to disasters, in what ways state and local agencies such as the Department of Financial Services (DFS) and the Department of Homeland Security and Emergency Services (DHSES) can assist claimants in such response, and whether policyholders and communities have adequate insurance. The members of the task force would include state and local government officials as well as representatives from the insurance industry and consumer advocacy groups. The task force would be required to submit a report to the Governor and the Legislature on its findings and recommendations one year after the effective date.

*F. Crime Statistics*

*A.8630-A Crespo / S.6364-A Diaz*

*Veto 497 of 2014*

This bill would require the Department of Criminal Justice Services to report crimes that occur in correctional facilities separately from crimes that occur in public. Furthermore, the bill would require property/casualty insurers to exclude data or statistics relating to crimes that occur within the aforementioned facilities when determining insurance rates.

*G. Wireless Communications*

*A.10062 Morelle / S.7706 Libous*

*Veto 586 of 2014*

This bill would require all relevant wireless communications equipment insurance policy information to be shared with the consumer by adding a new premium and compensation disclosure requirement that would inform the consumer of the premium for such insurance, the amount and number of months one would be billed for such insurance, and that the producer may receive fees from the purchase of such insurance. The bill would also expand the definition of wireless communications equipment insurance policies to cover all entities offering coverage that is substantially similar to the products that are currently covered under the bill. Lastly, the bill would update the definition of "wireless communications equipment" to include the current technologies such as tablets, portable computers, and other similar portable wireless devices and accessories related to such devices.

## H. Residential Home Safety Courses

*A.1475-A Colton / S.3286-A O' Mara*

This bill would authorize the Department of Financial Services, in consultation with the Office of Fire Prevention and Control of the Division of Homeland Security and Emergency Services, to certify residential home safety and loss prevention courses. Such courses would be required to include information and methods on how an insured can prevent or minimize property losses and personal injuries due to fire, theft, burglary, accidents, and weather related events such as hurricanes. The Department would be authorized to promulgate regulations governing these courses, including curriculum standards.

The Department would also be required to provide for an actuarially appropriate premium reduction for homeowners or fire insurance premiums for three years for an insured who successfully completes such a course.

This bill passed the Assembly.

## I. Homeowners Bill of Rights

*A.2287-A Silver / No Same As*

This bill would require insurers, agents, or brokers writing homeowners or certain commercial insurance policies to provide, upon the issuance and renewal of a policy, a written disclosure describing the coverage and exclusions provided for in the policy, information on how the insured may file a claim, and the contact information for the Department of Financial Services. Failing to provide this disclosure would be an unfair claims settlement practice. Furthermore, such insurers would be required to disclose to consumers which flood zone the real property to be covered is located in, the level of risk associated with that flood zone, and information on how the consumer can obtain coverage for damage resulting from weather conditions, natural disasters, and other occurrences, including floods. The bill would also require the Superintendent of Financial Services to create a Consumer's Guide on Insuring Against Catastrophic Losses that would include information on how consumers can protect themselves against and obtain insurance coverage for catastrophic losses.

In addition, in the event that the flood zone in which the real property is located changes, the bill would obligate the insurers, agents, or brokers to provide the insured with an updated disclosure upon which the insured would have to acknowledge receipt through a signed writing, electronic signature, or other means approved by the Superintendent.

This bill passed the Assembly.

J. Car Rental Steering

*A.7902-A Cymbrowitz / No Same As*

This bill would require an insurance company to create and maintain a service on their website whereby insureds are able to search and access the name and contact information of car rental companies by zip code. Furthermore, the bill requires insurance companies, upon request, to provide this information verbally and for insurance companies to disclose to the insured any compensation, rebate, discount, or anything of monetary value that they receive from the rental company in return for direct referrals.

This bill passed the Assembly.

K. Hurricane Windstorm Deductibles

*A.2729 Weisenberg / S.2032 LaValle*

This bill would require the Superintendent of the Department of Financial Services to promulgate, within 180 days of the effective date of this bill, regulations providing standards for hurricane windstorm deductibles that create, to the greatest extent possible, uniformity in the operation of such deductibles with respect to the triggering event.

This bill was advanced to the Third Reading Calendar.

L. Business Interruption

*A.7452-A Moya / No Same As*

This bill would prohibit an insurer from denying or excluding coverage under a business interruption claim for a covered loss solely because non-covered peril was a factor in the loss. The bill would continue to link coverage to covered-perils while protecting business-owners from the legal loopholes employed by some insurance companies to deny coverage.

This bill was advanced to the Third Reading Calendar.

*M. Adjusters/Steering*

*A.908-A Weprin / S.5183-A Martins*

This bill would prohibit an insurer from requiring that repairs for loss or damage to real property be completed by a particular entity or individual and further require independent adjusters, prior to receiving a license from the Department of Financial Services, to meet the same requirements as the public adjusters. These include either having a minimum one-year's experience in the insurance business or successful completion of formal training in a course or program approved by the Superintendent.

Furthermore, this bill would require independent adjusters to meet the same continuing education requirements as public adjusters, including completing fifteen credit hours of instruction every two years in courses or programs approved by the Superintendent.

This bill was advanced to the Third Reading Calendar.

*N. Standardization of Policy Terms*

*A.7453 Cahill / S.5579 Seward*

This bill would require the Superintendent of Financial Services, within six months of the effective date of this bill, to promulgate regulations which provide standardized definitions for commonly used terms and phrases found in homeowners policies and commercial lines policies that provide coverage for loss or damage to real property, personal property, or other liabilities for loss or damage to property. Insurers would be required to use the standardized terms and phrases in policies issued or delivered on or after the date the regulations are finalized, which would be no later than January 1, 2015. The bill would also allow insurers to use alternative definitions at the discretion of the Superintendent, so long as such definitions are not any less favorable to the policyholder or claimant than those required under the regulations.

This bill was advanced to the Third Reading Calendar.

*O. Prior Review of Policy*

*A.7454 Cahill / S.5578 Seward*

This bill would require an insurer, agent, or broker to provide to consumers in the market for homeowners and certain commercial policies a copy of the policy prior to the time such policy is sold or purchased. The potential insured must have sufficient time to read and review the policy.

This bill was advanced to the Third Reading Calendar.

P. Anti-Concurrent Causation

*A.7455-A Goldfeder / No Same As*

This bill would prohibit an insurer from refusing to pay for damages caused by a covered event only because a flood occurred simultaneously with or was a contributing factor in the covered event. It also mandates insurers who include anti concurrent causation clauses in their policies to clearly state in what situations those clauses would apply.

This bill was advanced to the Third Reading Calendar.

Q. Adjusters

*A.8834-B Perry / S.7876 Golden*

This bill would establish that insurers and all independent adjusters that are issued a temporary permit to adjust claims within New York State must utilize cost data that is regionally appropriate for the region of the state where the loss or damage occurred. The provisions of this bill would exclude automobile insurance policies.

This bill was advanced to the Third Reading Calendar.

R. Redlining

*A.90 Gantt / No Same As*

This bill would prohibit an insurer from refusing to issue or renew, or from limiting the type or amount of coverage offered for, an automobile or homeowners' policy based upon the property's location, age, or market value unless the decision is based on sound actuarial data and is consistent with its treatment of risks of substantially similar hazards in all geographical locations it serves in this state. This bill would also set up a grievance procedure for consumers, agents, and brokers who feel that an insurer has violated these provisions to file a complaint with the Superintendent of Financial Services.

This bill was reported to the Codes Committee.

*S. Scaffolding Sunshine*

*A.8745 Moya / S.6700 Lanza*

This bill would require all insurers issuing a policy of liability insurance to a contractor or owner of real property to file a supplemental financial disclosure statement with the superintendent of the Department of Financial Services (DFS). This statement would include all sources of income, including: premiums attributable to coverage for Labor Law 240 claims, investment income, salaries, consulting fees, and advertising costs, among other information. This statement would need to be signed by the insurer's chief executive officer. DFS would be required to make all information gathered under this section publicly available on the department's website.

This bill was reported to the Codes Committee.

## ▪ AUTO INSURANCE ▪

### A. Supplementary Uninsured/Underinsured Motorist (SUM) Coverage *A.6727 Morelle / S.5606 Seward*

This bill would educate consumers about the availability of supplementary uninsured/underinsured motorist (SUM) coverage. It would allow SUM coverage to be purchased in the same amount as a motorist's bodily injury coverage and require insurers to provide motorists with a notice informing them of the availability of SUM coverage and the amount of SUM coverage that can be purchased.

This bill passed the Assembly.

### B. Education/Occupation Discrimination *A.9935 Crespo / No Same As*

This bill would reduce discrimination by auto insurers by prohibiting all motor vehicle insurers doing business in New York State from basing premiums, rates, or the issuance or renewal of a policy on a policy holder's education or occupation.

This bill passed the Assembly.

### C. Minimum Coverage Study *A.10115 Brennan / No Same As*

This bill would require the Department of Financial Services to conduct a study of the current mandatory minimum coverage amounts and coverage options for private passenger auto insurance and to assess the impact on premiums if such amounts were increased.

This bill passed the Assembly.

### D. Auto Sunshine *A.1132-A Weinstein / S.1090-A Maziarz*

This bill would provide lawmakers, regulators, and the public with a source of reliable and accessible data that would allow them to evaluate automobile insurance and insurance companies by requiring insurers writing private passenger auto insurance to report detailed financial information to the Department of Financial Services, who shall make the info public.

This bill was advanced to the Third Reading Calendar.

E. Private Right of Action

*A.7809 Weinstein / S.5664 Lanza*

This bill would improve consumer protections against unfair claims practices for when an insurance company refuses to pay or imposes an unreasonable delay in payment by providing policyholders with a private right of action.

This bill was advanced to the Third Reading Calendar.

F. Flex Rating Sunset

*A.9641 Cymbrowitz / S.7566 Larkin*

This bill would strengthen consumer protections and oversight of private passenger auto insurance premiums by sunseting the law that allows for flex rating on June 30, 2017.

This bill was advanced to the Third Reading Calendar.

G. Fraud Fighters

*A.10117 Cahill / No Same As*

This bill would increase consumer protections by removing collateral estoppel from the no-fault law, expanding the situations in which the Department of Financial Services can decertify unscrupulous medical providers within the no-fault system, and creating a new Office of Public Auto Insurance Consumer Advocate in the Executive Branch to advocate on behalf of auto insurance consumers.

This bill was reported to the Ways & Means Committee.

## ▪ LIFE INSURANCE ▪

### A. Accelerated Death Benefits

*A.9154-A Cymbrowitz / S.6507-A Seward  
Chapter 448 of the Laws of 2014*

This chapter shortens the 14 day waiting period to a 5 day waiting period before a life insurer can pay accelerated death benefits.

### B. Internet Enrollment

*A.9175-A Braunstein / S.6505-B Seward  
Chapter 449 of the Laws of 2014*

This chapter authorizes and establishes the guidelines that an insurer which is otherwise not allowed to do business within New York State must adhere to in order to facilitate internet enrollment by a New York resident who is employed by an out-of-state employer for a group life, accident and health insurance policy, or a group annuity contract.

### C. War Travel Exclusion Language

*A.9458-A Cahill / S.4374-A Seward  
Chapter 275 of the Laws of 2014*

This chapter allows the Superintendent to develop, via regulation, an alternative to the current requirement that life insurers disclose certain travel exclusions in red ink using capital letters and twelve point type.

### D. Life Insurance Company Guaranty Corporation

*A.9915 Cahill / S.7320-A Seward  
Chapter 454 of the Laws of 2014*

This chapter expands the protections of the Life Insurance Company Guaranty Corporation of New York (LICGC) to policyholders of an insolvent life insurer who do not reside in New York State, provided that such policyholders purchased their policy from a domestic life insurer and they are not entitled to coverage under another state's LICGC because the insurer is not licensed in that state.

In addition, this chapter eliminates the cap on assessments that the Superintendent of the Department of Financial Services may impose against life insurers.

Finally, this chapter authorizes the LICGC to incorporate and fund a resolution

facility that would be responsible for guarantying the covered policies of the insolvent insurer and assuring payment of the insurer's obligations. Such a facility is prohibited from selling or issuing new policies and will not be required to be licensed by the Department of Financial Services. A resolution facility will also be required to file an annual report with the Superintendent, and the Superintendent would be able to request information from the facility.

## ▪ MISCELLANEOUS ▪

### A. Long Term Care Accelerated Death Benefits

*A.8957-A Gjonaj / S.6672-A Klein*

*Chapter 465 of the Laws of 2014*

This chapter allows for the establishment of a public awareness program to encourage individuals to purchase life insurance and long term care (LTC) insurance. It also expands the types of LTC that can be financed by accelerated death benefits purchased as an additional rider attached to a life insurance policy to include long term health care, hospice, adult day care services, or palliative care. The chapter further provides that such end of life care must be provided for at least three months or more, with the expectation that the insured will continue to require such services until death.

### B. Risk Based Capital Extenders

*A.10013 Cahill / S.7764 Seward*

*Chapter 78 of the Laws of 2014*

This chapter extends existing risk-based capital (RBC) requirements to domestic multi-state HMOs. Additionally, the chapter extended the following provisions of the Insurance Law through June 30, 2017:

- Several provisions relating to prior approval, auto insurance rates, insurer filing requirements, and the profits and rates of return for property/casualty insurers;
- The prohibition against anti-competitive behavior by property/casualty insurers;
- The prohibition on insurers non-renewing more than two percent of their auto policies in a particular rating territory in a year unless they write two new policies for every additional policy they non-renew;
- The authorization of the New York Property Insurance Underwriting Association (NYPIUA) to write coverage in underserved markets; and

The following provision will be extended through December 31, 2016:

- The ability of the Superintendent of DFS to allow medical malpractice insurers to write in the free trade zone.

C. Personal Financial Information  
A.302 Dinowitz / No Same As

This bill would make it an unfair claim settlement practice for insurers to demand intrusive personal, financial, and tax information of the insured to process ordinary theft claims unless there are special circumstances that warrant the disclosure of such documents in order to determine if the claim is fraudulent.

This bill was advanced to the Third Reading Calendar.

D. Anti-discrimination  
A.3832 Peoples-Stokes / No Same As

This bill would prohibit insurers from reporting to any company that maintains insurance claim history that an individual inquired into the nature of the coverage under their policy. It would also prohibit insurers from refusing to issue or renew a policy, charging a higher premium or assigning any individual to a more expensive affiliate or rating tier on the basis of such inquiry.

This bill was advanced to the Third Reading Calendar.

E. Prior Approval for Long Term Care Insurance Rates  
A.7929 Roberts / No Same As

This bill would require insurers to submit proposed new rates and any proposed increases or decreases for existing rates for long term care insurance policies to the Superintendent of Financial Services for approval. The insurer would be required to give notice to policyholders before submitting the proposed rates to the Superintendent, and there would be a thirty day comment period during which the public could contact the Superintendent and the insurer with comments about the proposed rates. The Superintendent would be required to approve, disapprove, or modify the proposed rates between thirty and sixty days from the date the insurer submitted the rates. Once the rates are approved, insurers would have to provide policyholders with a sixty day notice before implementing any rate changes.

This bill was advanced to the Third Reading Calendar.

## ▪ PUBLIC FORUMS ▪

### ***An Examination of the Auto Insurance Market in New York State***

New York State's automobile insurance market ranks as one of the most expensive in the nation. Automobile insurance coverage is mandatory in this state and provides important protections to New Yorkers who are injured in accidents or who have damage done to their vehicle. In response to cost and coverage concerns, the Insurance Committee held a public hearing to examine the state of auto insurance in New York. There are several factors that impact the cost of auto insurance, including but not limited to coverage requirements, regional variations in policyholder risk and market dynamics, fraud, regulatory oversight, and cost of repairs and medical care. However, a central finding of the hearing related to the price of no-fault fraud; although it is unacceptable and should be eradicated, there is no precise way to determine the extent to which abuse of the system appreciably impacts the New York State auto insurance market and premiums for policyholders.

The Committee heard testimony from representatives of the Department of Financial Services (DFS), insurance carriers and agents, the New York State Trial Lawyers Association, New York Public Interest Research Group (NYPIRG), and New Yorkers for Fair Automobile Insurance Reform (NYFAIR) on the following topics: minimum coverage requirements, adequate levels of comprehensive and collision coverage to meet consumer needs, disparities in insurance premiums based upon socioeconomic status, no fault coverage, and the role of the Department of Financial Services in regulating the automobile insurance industry.

The culmination of these efforts was a package of seven bills designed to address these issues, which would: require DFS to conduct a study on current minimum auto insurance coverage amounts; expand the availability of supplementary underinsured/uninsured motorist (SUM) coverage for consumers; prohibit auto insurers from discriminating against consumers based upon education or occupation; increase disclosure requirements for insurers' financial information, compensation, and claims data; reinstate the flex rating sunset; and strengthen a number of provisions that affect consumer protections.

### ***Proposed Changes to the No-Fault/Workers' Compensation Provider Reimbursement Fee Schedule***

On December 19, 2014, the Insurance and Labor Committees conducted a joint public hearing to examine the potential impacts the proposed New York State workers' compensation provider reimbursement fee schedule would have upon injured drivers' access to quality medical care services under the New York no-fault system, as well as its potential impact on injured workers. The proposed fee schedule would link provider reimbursement rates to Medicare, which would result in reduced payments to certain

specialty medical service providers who treat injured drivers and workers.

The committees heard testimony from the NYS Workers' Compensation Board, Public Employees Federation, the NYS Trial Lawyers Association, the Medical Society of the State of New York, NYS AFL-CIO, New York Insurance Association (NYIA), NYS Society of Orthopaedic Surgeons, Inc., United NY Ambulance Network (UNYAN), and other stakeholders who stand to be affected by the proposed changes. The majority of witnesses expressed significant concerns about the proposed changes to the fee schedule, including: a likely reduction in reimbursement rates for many specialty medical services that would cause providers to withdraw from the no-fault and workers' compensation systems; the potential cost impacts to drivers, workers, and the system as a whole; no relief for providers with respect to the bureaucratic burdens of filing no-fault and workers' compensation claims; lack of clarity in the discussion document; and uncertainty as to how changes to the schedule by the Workers' Compensation Board will translate to the no-fault system, which uses the same schedule to reimburse medical providers for treating injured drivers.

The Board plans to publish an additional discussion document in early 2015 for public discussion and comment, which will provide further details on the proposed fee schedule and the rules to be included as part of it. As the 2015 session approaches, the Committee will consider the testimony and evaluate the Board's proposed schedule in order to ensure that injured drivers and workers have full access to quality and expeditious medical care.

### ***Health Care Coverage for Chemical Dependency Treatment***

In response to reports of an alarming increase in heroin use, the Assembly Committees on Alcoholism and Substance Abuse, Insurance, and Health conducted a roundtable to examine health insurance coverage for substance use disorder treatments. The Committee was joined by the Department of Financial Services (DFS), insurance companies and medical providers, the Medical Society of the State of NY (MSSNY), Office of Alcoholism and Substance Abuse Services (OASAS), and families that have been affected by heroin and opiate abuse. The discussion centered on three topics surrounding this disease state: prevention services, increased education, and adequate treatment. At the roundtable, the participants stated that patients often find it difficult to obtain coverage for the services that they need, that insurers often require patients to fail at outpatient treatment before approving coverage for inpatient treatment, and that insurers use varying criteria to evaluate treatment requests.

The members listened intently to the passionate words of families who have lost loved ones because of opiate addiction, as they explained their frustrations with the process currently used to determine coverage for substance abuse. These individuals stated that when they sought answers from their insurers in regards to coverage, that they would be referred to people within the company outside of the state of New York who,

according to the families, knew nothing about New York laws, regulations, or policies on this matter in general. Some of the recurring problems that families spoke about included the following:

- Denial of insurance coverage for treatment that had been prescribed by a licensed physician;
- Inconsistencies between the tools used by insurers and medical providers to determine medical necessity;
- Ineffectiveness of fail first policies for this type of coverage; and
- Lack of awareness of internal or external appeal rights.

In addition, the Attorney General announced in March of 2014 that a settlement with a major health insurer had been agreed upon after it was found that the insurer issued significantly more denials for behavioral health and substance use disorder treatments than for other medical treatment, including the denial of coverage for patients with a history of substance use disorder, which is in violation of state and federal law. In response to this epidemic, the Assembly passed Assembly bill (A.10164 - Cusick), which comprehensively addresses many of the consumer concerns that were highlighted in the roundtable and was signed into law on June 23, 2014 (Chapter 41).

This chapter will: require health insurers to utilize providers who specialize in chemical dependency treatment, as well as standardized criteria when conducting reviews for such treatment; allow for expedited appeals for such treatment if the provider determines that a delay would pose a serious threat to the patient; require insurers to provide coverage during the appeals process when treatment for chemical dependency is denied; and require OASAS, DFS, and the Department of Health (DOH) to convene a workgroup to review the accessibility and availability of substance use disorder treatment services and report their findings to the Legislature and the Governor no later than December 31, 2015.

## ▪ OUTLOOK FOR 2015 ▪

In 2015, the Insurance Committee will continue to advance legislation that protects New York's consumers while also strengthening the insurance market in this state.

The Committee will continue to monitor and ensure proper implementation of the federal Affordable Care Act (ACA) in New York State through the New York State of Health, the New York State Health Benefit Exchange. On January 1, 2014, a number of insurance reforms required by the ACA took effect. These reforms included the requirements that every person purchase health insurance and that policies sold in the individual and small group markets include the federally mandated essential health benefits. The New York State of Health is well on its way to meeting or exceeding its enrollment goal of 1.1 million people by the end of 2016. As we press forward, the Committee is steadfast in its commitment to supporting legislation that ensures the availability of quality, affordable health insurance and maintains the efficacy of New York's implementation of the Health Benefit Exchange. Further, the Committee will attempt to resolve issues surrounding the essential benefits cap so as not to freeze the delivery of health care under an outdated model.

The Committee will also continue to examine the state of the automobile insurance industry within New York State. Drivers in New York are required to purchase auto coverage, as it provides vital protections to New Yorkers who are at risk of being injured in accidents or who may experience damage to their vehicle or other property. The affordability of auto insurance, the availability of additional types of auto coverage, whether the auto insurance laws adequately protect policyholders and accident victims, and monitoring the issues surrounding the no-fault system are all topics that the Committee addressed during the Auto Hearing and in the auto package this past session and will continue to attend to on an on-going basis. The Committee will continue to stand firm against discrimination in auto insurance based on education or occupation and will further examine the differences in premium rates amongst those with varying educational and occupational backgrounds. The Committee will remain assiduous in advancing and expounding these reviews during the upcoming legislative session.

The Committee will also continue to evaluate the insurance industry's response to disasters and other emergencies to ensure policyholders are provided adequate coverage and that the insurance industry remains solvent. Over the past few years, New York has been hit by several large storms that have caused immense damage across the state. In such situations, individuals and businesses often must rely upon their property and casualty and flood insurance to cover damages, if such coverage was in place. The reality for too many New Yorkers was that their insurance coverage was not suited to their needs at such a critical time. In response to this widespread sentiment, the Committee will continue its review of what more can be done to ensure that the insurance products purchased in New York State protect New Yorkers from unforeseen catastrophic natural events in the future.

## APPENDIX A 2014 SUMMARY SHEET

Summary of Action on all Bills  
Referred to the Insurance Committee

	<u>ASSEMBLY BILLS</u>	<u>SENATE BILLS</u>	<u>TOTAL BILLS</u>
<b>BILLS REPORTED WITH OR WITHOUT AMENDMENT</b>			
TO FLOOR; NOT RETURNING TO COMMITTEE (FAVORABLE)	15		15
TO WAYS AND MEANS	8		8
TO CODES	14		14
TO RULES	12		12
TO JUDICIARY			0
<b>TOTAL</b>	<b>49</b>		<b>49</b>
<b>BILLS HAVING COMMITTEE REFERENCE CHANGED</b>			
TO Ways and Means                      COMMITTEE	1		1
TO    COMMITTEE			0
<b>TOTAL</b>	<b>1</b>		<b>1</b>
<b>SENATE BILLS SUBSTITUTED OR RECALLED</b>			
SUBSTITUTED		7	7
RECALLED		2	2
<b>TOTAL</b>		<b>9</b>	<b>9</b>
<b>BILLS DEFEATED IN COMMITTEE</b>	0	0	0
<b>BILLS HELD FOR CONSIDERATION with a roll-call vote</b>	32	0	32
<b>BILLS NEVER REPORTED, HELD IN COMMITTEE</b>	210	16	226
<b>BILLS HAVING ENACTING CLAUSES STRICKEN</b>	8	0	8
<b>MOTIONS TO DISCHARGE LOST</b>	0	0	0
<b>TOTAL BILLS IN COMMITTEE</b>	<b>300</b>	<b>24</b>	<b>325</b>
<b>TOTAL NUMBER OF COMMITTEE MEETINGS HELD</b>	9		

**APPENDIX B  
CHAPTERS OF 2014**

<b>Bill / Sponsor</b>	<b>Description</b>	<b>Final Action</b>
A.4833-A /Magee S.3539-A /Seward	Allows domestic mutual insurance companies to enter into certain agreements with insurance producers.	Chapter 410
A.8137-A / Magnarelli S.5937-A / Valesky	Improves health insurance for people with ostomies by providing coverage for equipment and supplies used to treat ostomies.	Chapter 364
A.8398 /Morelle S.6252 /Robach	Clarifies the time limit for an insurer to apply to the Department of Financial Services to provide coverage for early retirees under the health insurance demonstration program.	Chapter 13
A.8957-A /Gjonaj S.6672-A /Klein	Requires the state to conduct an awareness campaign on long term care insurance and allows for accelerated death benefits for residential health care facilities, home health care, and hospice.	Chapter 465
A.9154-A /Cymbrowitz S.6507-A /Seward	Shortens the waiting period for consumers to receive accelerated death benefits under their life insurance policy from 14 days to 5 days in order to ensure that consumers are able to access the funds they need in a timelier manner.	Chapter 448
A.9175-A /Braunstein S.6505-B /Seward	Allows an out-of-state employer to enroll New York State based employees in a group policy via the Internet purchased from an unauthorized insurer.	Chapter 449
A.9208 / Cahill S.6960 / Seward	Authorizes the Department of Financial Services to allow a health insurer to meet certain obligations via an affiliate.	Chapter 388
A.9346-A /Morelle S.4756-A /DeFrancisco	Amends the fire insurance appraisal process to state that when a court orders an appraisal, the extent of the loss/damage shall be a subject of the appraisal.	Chapter 451
A.9458-A /Cahill S.4374-A /Seward	Allows insurers to use an alternative uniform standard for disclosures established by the Department of Financial Services to the requirement that war travel exclusions in life insurance policies be in red ink and 12 point font.	Chapter 275
A.9604 /Morelle S.7317 /Seward	Allows self-funded student health plans to account for their funds separately within one account rather than in separate accounts.	Chapter 124
A.9793 / Brindisi S.7353 / Seward	Allows property/casualty insurers, with the Department of Financial Services' approval, to exceed the statutory cap on management expenses when upgrading their Information Technology systems.	Chapter 527

A.9915 /Cahill S.7320-A /Seward	Makes changes to the Life Insurance Company Guaranty Corporation, such as ensuring that all impacted policyholders have access to the Guaranty Corporation as appropriate, expanding who can get coverage, removing the assessment cap, and allowing the creation of resolution facilities.	Chapter 454
A.9590 /Morelle S.6545-A /Seward	Would standardize insurance certificates; would prohibit entities from requiring and issuing non-standardized certificates; and would allow for enforcement by the appropriate state entity.	Chapter 552
A.10013 /Cahill S.7764 /Seward	Extends risk based capital requirements to multi-state health maintenance organizations and extends various property/casualty provisions of the Insurance Law.	Chapter 78
A.10140 / Magnarelli S.7893 / Valesky	Improves health insurance for people with ostomies by providing coverage for equipment and supplies used to treat ostomies.	Chapter 377
A.10164 /Cusick S.7912 /Seward	Improves health insurance coverage for substance use disorder services by requiring insurers to use standardized criteria when evaluating treatment requests and to provide coverage for inpatient services throughout the appeals process when a claim is denied.	Chapter 41

**APPENDIX C**  
**BILLS THAT WERE REPORTED IN 2014**

<b>Bill / Sponsor</b>	<b>Description</b>	<b>Action</b>
A.90 /Gantt No Same As	Would prohibit discrimination in the issuance of homeowners' insurance policies and clarifies the prohibition of refusal to issue policies based solely on geographical location.	Reported to Codes
A.302 /Dinowitz No Same As	Would restrict insurers from demanding intrusive personal, financial, and tax information from insureds as a standard practice in ordinary theft claims.	Advanced to Third Reading
A.571 /Dinowitz No Same As	Would repeal the statute that allows a health insurer to deny coverage if the insured was injured while intoxicated or under the influence.	Advanced to Third Reading
A.908-A /Weprin S.5183-A /Martins	Would require independent adjusters to meet the same continuing education requirements as public adjusters and prohibit insurance companies from steering consumers to specific contractors.	Advanced to Third Reading
A.1093-C /Skoufis S.4235-B /Latimer	Would create a task force to examine and report on how insurers respond to disasters.	Veto 527
A.1132-A /Weinstein S.1090-A /Maziarz	Would require significant disclosure of and public access to claims, financial, and compensation data from auto insurers.	Advanced to Third Reading
A.1307 /Zebrowski No Same As	Would make requiring or requesting that an entity deny or cancel a certain number of claims or policies during a given period of time an unfair insurance claim settlement practice.	Passed Assembly
A.1475-A /Colton S.3286-A /O'Mara	Would provide for actuarially appropriate discounts on homeowners insurance premiums for consumers who complete a certified home safety and loss prevention course.	Passed Assembly
A.2287-A /Silver No Same As	Would create a Homeowners' Bill of Rights to educate consumers about property/casualty insurance coverage and require the Department of Financial Services to develop a Consumer's Guide on insuring against catastrophic loss.	Passed Assembly
A.2729 /Weisenberg S.2032 /LaValle	Would require the Superintendent of Financial Services to establish uniform trigger standards for hurricane windstorm deductibles.	Advanced to Third Reading
A.2753-A /Lavine S.3056-A /Little	Would require reimbursement for surgical first assistant services.	Passed Assembly
A.3088-C /Lavine S.5015-B /Hannon	Would allow providers to appeal a health insurer's overpayment recovery when the insurer uses extrapolation.	Passed Assembly

A.3832 /Peoples-Stokes No Same As	Would prohibit discrimination in the issuance or renewal of certain insurance policies based upon inquiries in which loss or damage is revealed.	Advanced to Third Reading
A.4833-A /Magee S.3539-A /Seward	Allows domestic mutual insurance companies to enter into certain agreements with insurance producers.	Chapter 410
A.5723-B /Heastie S.3995-B /Maziarz	Would strengthen the existing statute that prohibits health insurers from forcing consumers to use mail order pharmacies by clarifying that local retail pharmacies must agree to the same reimbursement amount, and not the same contractual terms and conditions, as mail order pharmacies.	Passed Assembly
A.6727 /Morelle S.5606 /Seward	Would require insurers to make supplementary uninsured/underinsured motorist (SUM) coverage available in the same amount as the insured's bodily injury and to require the insured to designate if they want to purchase SUM coverage.	Passed Assembly
A.6820-C /Crespo S.5390-C /Parker	Would require health insurance companies to provide coverage for prosthetic limbs for veterans on parity with the company's coverage of durable medical equipment.	Passed Assembly
A.7295 /Cahill S.4328 /Seward	Would reduce the disruption to both consumers and the health insurance market when an insurer discontinues a group of policies by requiring the insurer to submit for approval a market withdraw plan to the Department of Financial Services and to discontinue the policies on their renewal dates.	Passed Assembly
A.7452-A /Moya No Same As	Would prohibit insurers from denying business interruption claims for losses covered under the policy under certain circumstances.	Advanced to Third Reading
A.7453 /Cahill S.5579 /Seward	Would require the Department of Financial Services to promulgate regulations that would standardize the definitions of terms and phrases commonly used in homeowners and certain commercial insurance policies.	Advanced to Third Reading
A.7454 /Cahill S.5578 /Seward	Would require insurers, agents, and brokers to provide potential insureds with copies of homeowners and certain commercial insurance policies prior to the policy being purchased.	Advanced to Third Reading
A.7455-A /Goldfeder No Same As	Would prohibit insurance companies from refusing to pay for damages caused by a covered event solely because a flood occurred simultaneously with or was a contributing factor in the covered event, and mandates that insurers who include anti concurrent causation clauses in their policies clearly state in what situations those clauses would apply.	Advanced to Third Reading

A.7809 /Weinstein S.5664 /Lanza	Would give policyholders a private right of action when an insurer commits an unfair claim settlement practice and other unfair practices.	Advanced to Third Reading
A.7902-A /Cymbrowitz No Same As	Would require auto insurers to provide a service to claimants where insureds may search for rental car companies and to disclose any conflicts of interest when recommending a rental car company.	Passed Assembly
A.7929 /Roberts No Same As	Would require prior approval for the rates for long term care insurance policies.	Advanced to Third Reading
A.7981 /Cook No Same As	Would require insurers offering renewals of closed blocks of Medicare supplemental insurance policies to notify policyholders of the availability of similar policies.	Passed Assembly
A.8137-A /Magnarelli S.5937-A /Valesky	Improves health insurance for people with ostomies by providing coverage for equipment and supplies used to treat ostomies.	Chapter 364
A.8398 /Morelle S.6252 /Robach	Clarifies the time limit for an insurer to apply to the Department of Financial Services to provide coverage for early retirees under the health insurance demonstration program.	Chapter 13
A.8630-A /Crespo S.6364-A /Diaz	Would ensure that premiums for homeowners' and auto insurance accurately reflect the risk posed by the policyholder by prohibiting insurers from utilizing data from correctional facilities, detention centers, or similar facilities that includes crimes that occur solely within such entities.	Veto 497
A.8745 /Moya S.6700 /Lanza	Would require insurers writing coverage for liability under the Scaffold Law to report detailed financial information to the Department of Financial Services, who shall make the info public.	Reported to Codes
A.8834-B /Perry S.7876 /Golden	Would require the use of local cost data when adjusting claims; would require an insurer and independent adjuster to adjust certain claims made under an insurance policy that provides coverage for loss of or damage to property using cost data appropriate for the region of this state where the loss or damage occurred arising from emergency situations.	Advanced to Third Reading
A.8957-A /Gjonaj S.6672-A /Klein	Requires the state to conduct an awareness campaign on long term care insurance and allows for accelerated death benefits for residential health care facilities, home health care, and hospice.	Chapter 465

A.9154-A /Cymbrowitz S.6507-A /Seward	Shortens the waiting period for consumers to receive accelerated death benefits under their life insurance policy from 14 days to 5 days in order to ensure that consumers are able to access the funds they need in a timelier manner.	Chapter 448
A.9175-A /Braunstein S.6505-B /Seward	Allows an out-of-state employer to enroll New York State based employees in a group policy via the Internet purchased from an unauthorized insurer.	Chapter 449
A.9208 /Cahill S.6960 /Seward	Authorizes the Department of Financial Services to allow a health insurer to meet certain obligations via an affiliate.	Chapter 388
A.9346-A /Morelle S.4756-A /DeFrancisco	Amends the fire insurance appraisal process to state that when a court orders an appraisal, the extent of the loss/damage shall be a subject of the appraisal.	Chapter 451
A.9458-A /Cahill S.4374-A /Seward	Allows insurers to use an alternative uniform standard for disclosures established by the Department of Financial Services to the requirement that war travel exclusions in life insurance policies be in red ink and 12 point font.	Chapter 275
A.9590 /Morelle S.6545-A /Seward	Would standardize insurance certificates; would prohibit entities from requiring and issuing non-standardized certificates; and would allow for enforcement by the appropriate state entity.	Chapter 552
A.9604 /Morelle S.7317 /Seward	Allows self-funded student health plans to account for their funds separately within one account rather than in separate accounts.	Chapter 124
A.9641 /Cymbrowitz S.7566 /Larkin	Would sunset the section of law that allows for flex rating for non-commercial auto policies on June 30, 2017.	Advanced to Third Reading
A.9793 /Brindisi S.7353 /Seward	Allows property/casualty insurers, with the Department of Financial Services' approval, to exceed the statutory cap on management expenses when upgrading their Information Technology systems.	Chapter 527
A.9915 /Cahill S.7320-A /Seward	Makes changes to the Life Insurance Company Guaranty Corporation, such as ensuring that all impacted policyholders have access to the Guaranty Corporation as appropriate, expanding who can get coverage, removing the assessment cap, and allowing the creation of resolution facilities.	Chapter 454
A.9935 /Crespo No Same As	Would prohibit auto insurers from discriminating against consumers based upon a consumer's education or occupation.	Passed Assembly
A.10013 /Cahill S.7764 /Seward	Extends risk based capital requirements to multi-state health maintenance organizations and extends various property/casualty provisions of the Insurance Law.	Chapter 78
A.10062 /Morelle	Would expand the statutes on wireless	Veto 586

S.7706 /Libous	communications equipment insurance to include entities providing similar benefits and requires vendors to disclose that they may receive fees from the premium.	
A.10091 /Cahill S.7500-A /Hannon	Would require health plans to accept premium and cost-sharing payments for individual health plans from certain third parties.	Passed Assembly
A.10115 /Brennan No Same As	Would require the Department of Financial Services to conduct a study of the current mandatory minimum coverage amounts and coverage options for private passenger auto insurance and to assess the impact on premiums of increasing such amounts.	Passed Assembly
A.10117 /Cahill No Same As	Would increase consumer protections by removing collateral estoppel from the no-fault law, expanding the situations in which the Department of Financial Services can decertify unscrupulous medical providers in the no-fault system, and creating a new Office of Public Auto Insurance Consumer Advocate in the Executive Branch to advocate on behalf of auto insurance consumers.	Reported to Ways & Means
A.10140 /Magnarelli S.7893 /Valesky	Improves health insurance for people with ostomies by providing coverage for equipment and supplies used to treat ostomies.	Chapter 377
A.10164 /Cusick S.7912 /Seward	Improves health insurance coverage for substance use disorder services by requiring insurers to use standardized criteria when evaluating treatment requests and to provide coverage for inpatient services throughout the appeals process when a claim is denied.	Chapter 41

**APPENDIX D  
BILLS THAT WERE VETOED IN 2014**

<b>Bill / Sponsor</b>	<b>Description</b>	<b>Final Action</b>
A.1093-C /Skoufis S.4235-B /Latimer	Would create a task force comprised of DFS, DHSES, insurance industry reps, local disaster response officials, adjusters, and consumer groups to examine how insurers respond to disasters.	Veto 527
A.8630-A /Crespo S.6364-A /Diaz	Would ensure that premiums for homeowners' and auto insurance accurately reflect the risk posed by the policyholder by prohibiting insurers from utilizing data from correctional facilities, detention centers, or similar facilities that includes crimes that occur solely within such entities.	Veto 497
A.10062 /Morelle S.7706 /Libous	Would expand the statutes on wireless communications equipment insurance to include entities providing similar benefits; would require vendors to disclose that they may receive fees from the premium.	Veto 586

**- END OF REPORT -**