

ANNUAL REPORT 2021



CARL E. HEASTIE, SPEAKER
KEVIN A. CAHILL, CHAIR

NEW YORK STATE ASSEMBLY
COMMITTEE ON INSURANCE



THE ASSEMBLY
STATE OF NEW YORK
ALBANY

COMMITTEES

Ways and Means

Economic Development, Job Creation,
Commerce & Industry

Health

Higher Education

KEVIN A. CAHILL
Assemblymember 103rd District

CHAIR
Assembly Insurance Committee

December 15, 2021

The Honorable Carl E. Heastie
Speaker of the Assembly
Room 932, Legislative Office Building
Albany, New York 12248

Dear Speaker Heastie:

I hereby submit to you the 2021 Annual Report for the Committee on Insurance. I am pleased to report that the Committee had a productive session thanks to the dedication of the members and staff and with the help of your leadership. The legislation advanced by the Committee this year contains significant protections for New York businesses and consumers, increases access to affordable health care, improves insurance product options and modernizes the industry following a major insurance claims event, the global COVID-19 Pandemic.

Given the challenges presented by the pandemic and associated lockdowns, many faults and inefficiencies were exposed within this state's insurance industry and its engagement with policyholders and consumers. The Insurance Committee advanced several measures to modernize industry practices and improve consumer servicing options, including authorizing the electronic delivery of certain notices and allowing for short-term insurance product options for a period of less than one year in duration. Another measure establishes a new kind of disability-related coverage to protect businesses and individuals from catastrophic loss where the limits of a primary disability insurance policy in force may be inadequate to properly cover losses relative to a business' financial circumstances, or where no primary disability insurance coverage can be obtained in the authorized market. While many of these bills were signed and enacted, the Committee remains focused on examining consumer access to information and affordable coverage, increasing clarity for producers, agents, brokers and policyholders in the wake of the global pandemic and preserving consumer protections and insurance product options in New York State.

The Committee reported several bills related to motor vehicle insurance, specifically to address the no-fault system, including prohibiting policy cancellations or non-renewals where claim disputes exist, authorizing premium rate reductions upon participation and completion of certain safety training courses by insureds, requiring third party verification of driving history when used as a rating or underwriting factor for private passenger motor vehicle insurance and establishing the Peer-to-Peer Car Sharing Act. With the cost of motor vehicle insurance and associated claims in the state continuing to rise, this legislation offers opportunities for more affordable insurance coverage for consumers and businesses, while also targeting abuse and fraudulent activities by bad actors.

Additionally, the Legislature acted on many bills aimed to increase access to quality health care for all New Yorkers, increase standards of care and protect patients from exorbitant costs and abuse. The Insurance Committee reported legislation which would enhance coverage for medically fragile children, a small and unique patient population that is in need of tailored treatment and evaluations. The Committee also advanced measures to require coverage under the Affordable Care Act for pre-exposure prophylaxis and post-exposure prophylaxis to prevent HIV infection, prohibit mid-year changes to prescription formulary without ensuring access to appropriate medications and treatments, protect victims of domestic violence by requiring health plans to provide such individuals with the option of providing alternative contact information and prohibit co-payments for treatment at opioid treatment programs.

The Committee was also actively engaged with the Health Committee and Chair Richard Gottfried in advancing landmark legislation to finally regulate Pharmacy Benefit Management companies and to rationalize and increase insurance company participation in covered Early Childhood Intervention costs.

The 2021 session resulted in productive discussion within the Legislature and with businesses and consumers. Several important measures were advanced and enacted to implement modernization and reform within the state's insurance industry. I thank the members and staff of the Committee for their diligent efforts during this past session and again thank you, Mr. Speaker, for your leadership, focus and continued support of progressive policies that protect New York's insured and bolster the state's insurance actors and product options.

Sincerely,



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

NEW YORK STATE ASSEMBLY
STANDING COMMITTEE ON INSURANCE

Kevin A. Cahill, Chair

▪ MEMBERS ▪

Majority

Vivian E. Cook
J. Gary Pretlow
José Rivera
Steven Cymbrowitz
Charles D. Lavine
Phillip G. Steck
Erik M. Dilan
Pamela J. Hunter
Daniel Rosenthal
Steve Stern
John T. McDonald III
Jonathan G. Jacobson
Khaleel M. Anderson
Demond Meeks
Phara Souffrant Forrest

Minority

Kenneth D. Blankenbush,
Ranking Minority Member
Stephen M. Hawley
David DiPietro
Kevin M. Byrne
Colin Schmitt
Jarett Gandolfo

▪ COMMITTEE STAFF ▪

Aaron Suggs, Assistant Secretary for Program and Policy
Nathan Kerstein, Associate Counsel
Cynthia Jacobson, Principal Analyst
Amy Gunnells, Legislative Director
Marc Thurston, Committee Clerk
Dawn Fowler, Program and Counsel Secretary

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▪ 2021 - 22 Budget ▪

The SFY 2021-22 Enacted Budget provided a difficult, but unique, opportunity to negotiate enhanced consumer protections, increase access to quality, affordable health care and implement major reform in a variety of sectors. The Executive proposed to eliminate the Entertainment Worker's Demonstration Program, which provides health insurance coverage to those working in the important television, movie and theatrical sector of our economy. The Assembly advocated for continued funding for this program, which was enacted in the final budget.

The Legislature rejected the Executive's proposal to establish requirements for the registration, licensure, examination and disclosure for pharmacy benefit managers (PBM) as there was no fiscal impact. Instead, a separate bill was later passed by both houses to regulate and license PBMs which contains stronger language on licensure requirements, fiduciary duty and oversight.

The Executive proposed changes to the Excess Medical Malpractice Fund and Program to restructure payments by splitting policy year payments over two years and reducing future Excess Medical Malpractice payments by half, for a total reduction of \$51.1 million. This proposal would eventually leave beneficiaries to cover costs for excess medical malpractice coverage. The Assembly and Senate shared concern with the prospect of reducing contributions into this essential fund, which provides necessary coverage for practicing physicians and surgeons in the state, especially given the current climate resulting from the global pandemic. The Legislature negotiated with the Executive to preserve excess medical malpractice coverage for physicians into 2022, restoring the Excess Medical Malpractice Fund and rejecting the Executive's proposal.

Finally, the proposal to authorize the Superintendent of the Department of Financial Services (DFS) to restrict or prohibit a health services provider from demanding or requesting payment for health services administered under the no-fault insurance law was rejected by the Legislature. Under the plan, the Chair of the Workers' Compensation Board would have been required to forward to the Superintendent of Financial Services, a list of all certain providers of health services. DFS would have also maintained a database of such providers under the proposal and the Superintendent would have been authorized to levy a civil penalty up to \$50,000 on any provider of health services that they prohibited from requesting such payments.

The Committee advanced a proposal for the establishment of a Motor Vehicle Insurance Task Force, which would examine alternatives to the no-fault insurance system. The Assembly is committed to exploring ways to reform the broken no-fault insurance system in New York State to increase consumer protections, eliminate fraud and make motor vehicle coverage more affordable. While the Assembly was supportive of legislative involvement in the proposed Insurance Task Force, an agreement could not be reached and no such language was enacted in the final budget. The Insurance Committee then advanced legislation to repeal the no-fault insurance system following five years of its enactment in order to encourage serious discussion between stakeholders and the exploration of legislative reform options or alternatives to the current costly, inadequate and unworkable system.

▪ HEALTH INSURANCE ▪

A. Care and Treatment of Medically Fragile Children
A.289B Gottfried / S.2121 Rivera

This bill enhances certain clinical standards, procedures for internal and external reviews and utilization review requirements for medically fragile children, providing necessary assistance and protection for this very small and unique patient population which requires tailored care and treatment.

This bill was advanced to the Third Reading Calendar.

B. Prior Authorization of Substance Use Disorder Medications
A.372 Rosenthal, L. / S.5690 Harckham

This legislation limits the amount of cost sharing for opioid treatment programs to one copayment over the course of treatment.

This bill was advanced to the Third Reading Calendar.

C. Coverage for PrEP and PEP for the Prevention of HIV
A.807 O'Donnell / S.688 Hoylman

This measure requires health insurers that provide coverage for prescription drugs to include coverage for the cost of pre-exposure prophylaxis (PrEP) for the prevention of HIV and post-exposure prophylaxis to prevent HIV infection.

This bill passed the Assembly.

D. Coverage for Outpatient Treatment by Mental Health Practitioners
A.1171-A Bronson / S.6574-A Kennedy

This includes mental health counselors, marriage and family therapists, social workers, creative arts therapists and psychoanalysts to the list of mental health professionals which must be covered for group accident and health insurance.

This bill passed the Assembly.

E. Specification of Partial or Complete Medical Claim Denials

A.1677 Gottfried / S.2008-B Jackson

Chapter 694 of the Laws of 2021

This requires explicit specification between partial approval of medical claims and a denial of medical claims on written notices from an insurer.

This bill was signed by the Governor.

F. Application of Price Reduction Instruments by Health Insurers

A.1741 Gottfried / S.5299 Rivera

This measure requires insurance companies or pharmacy benefit managers to apply price reduction instruments for out-of-pocket expenses when calculating an insured individual's cost-sharing requirement. Many drug manufacturers offer copay cards or other assistance to help pay for their prescription drugs. This measure eliminates the practice of shifting the cost towards patients as the insurance plans are essentially "double dipping" by requiring the patient to pay their normal copayment and still receiving a discount or coupon from the drug manufacturer, while taking longer to satisfy their deductible.

This bill was advanced to the Third Reading Calendar.

G. Coverage for Colorectal Cancer Early Detection Screenings

A.2085-A Dinowitz / S.906B Sanders

This clarifies that health insurance providers must cover the cost of colonoscopy screenings in men and women age 45 and older.

This bill passed the Assembly.

H. Alternate Contact Information for Victims of Domestic Violence

A.2519 Cymbrowitz / S.7263 Liu

This allows a domestic violence victim covered by an insurance policy where another person is the policyholder to designate alternative contact information for the purpose of receiving insurance claims or billing information.

This bill passed the Assembly.

I. Explanation of Pharmacy Benefits

A.3516 McDonald / S.7075 Breslin

Chapter 678 of the Laws of 2021

This requires insurers to provide insureds or subscribers with an explanation of pharmaceutical benefits relating to claims under certain accident and health insurance policies.

This bill was signed by the Governor.

J. Prescription Drug Formulary Changes During Plan Year
A.4668 Peoples-Stokes / S.4111 Breslin
Chapter 780 of the Laws of 2021

This clarifies that health insurance consumers covered by plans that are required to offer essential health benefits under the Affordable Care Act are protected from adverse effects of mid-year formulary changes and appropriately notified of formulary changes.

This bill was signed by the Governor.

K. Mail Order Pharmacy
A.5854-A Joyner / S.3566 Breslin

This clarifies a health insurer is prohibited from requiring an insured to use a mail order pharmacy if a local retail pharmacy agrees to the same reimbursement amount as the insurer's in-network mail-order pharmacies.

This bill was delivered to the Governor on 12/20/21.

L. Health Savings Account Pilot Program
A.7123 Woerner / S.6485-A Breslin
Chapter 619 of the Laws of 2021

This measure authorizes the continuation of a transitional program for a Managed Care Saving Account, limited to certain municipalities, to allow HMOs to offer group high deductible health plans, in conjunction with a health savings account or a health reimbursement account, provided that the municipality contributes an amount at least equal to the deductible required by the plan. In addition, the plan must be offered pursuant to an existing collective bargaining agreement.

This bill was signed by the Governor.

M. Study of Childbirth-Related Covered Benefits

A.7315 Jackson / S.4827 Salazar

Chapter 787 of the Laws of 2021

This directs the Department of Financial Services, in collaboration with the Department of Health, to review and create a report on covered benefits related to childbirth offered by health insurance policies and medical assistance in New York State. The study will also evaluate disparities in rates negotiated by insurers covering the birth and determine if statewide standards should be adopted. The report is to be submitted to the Governor within one year of completion.

This bill was signed by the Governor.

N. Mail Order Pharmacy

A.7704 Fernandez / No Same As

This refines the requirements for coverage of mental health and substance use disorder services to promote insurer compliance with New York State parity and prompt payment laws, specifically related to behavioral health and the authorization for certain drugs for the detoxification or maintenance of a substance use disorder.

This bill passed the Assembly.

▪ **PROPERTY / CASUALTY INSURANCE** ▪

A. Anti-Arson

A.603 Rosenthal, D. / S.2627 Sanders

This bill repeals a requirement that consumers seeking new or renewal policies covering multi-family dwellings in New York City complete an obsolete anti-arson application for their coverage to be effective.

This bill passed the Assembly.

B. Electronic Delivery of Property/Casualty Notices

*A. 651-A Rosenthal, D. / S. 653-A Sanders
Chapter 761 of the Laws of 2021*

This bill permits insurers to deliver property/casualty insurance notices and documents electronically with the consent of the policyholder.

This bill was signed by the Governor.

C. Hurricane Windstorm Deductibles

A.950-B Pheffer Amato / S.6407-A Sanders

This measure requires the Superintendent of DFS to promulgate regulations providing standards for hurricane windstorm deductibles which create, to the greatest extent possible, uniformity in the operation of such deductibles with respect to the triggering event.

This bill advanced to the Third Reading Calendar.

D. Boating Safety Courses

*A.955 Thiele / S.1307 Palumbo
Chapter 113 of the Laws of 2021*

This bill makes clarifying changes to Chapter 355 of 2020 regarding the requirement for insurers to provide for a premium rate reduction upon completion by an insured of a boating safety or advanced boating safety course. If an insured were to take and complete such a course, the insurance company would be able to use their discretion in providing for a reduction in premiums, based on assessed risk and underwriting criteria.

This bill was signed by the Governor.

E. Prompt Investigation and Settlement of Claims
A.2236 Stern / S.3553 Carlucci

This bill requires insurers that write homeowners and certain commercial property and casualty insurance policies to begin investigating a claim arising from a declared disaster or emergency in accordance with timeframes and standards promulgated by the Superintendent of the DFS. It requires that within fifteen business days of receiving all items that the insurer requested from a claimant, the claim must be accepted or rejected and the decision be issued in writing. A one-time extension of a claim would have to be paid no later than three business days from settlement.

This bill passed the Assembly.

F. Excess Business Disability Insurance
A.3222-A Hunter / S.5760-A Breslin
Chapter 359 of the Laws of 2021

This legislation establishes “excess business disability insurance” as a new non-basic form of coverage, available as additional coverage or through the excess lines market. As a non-basic policy, it encompasses hazards not expressly named and would require paid-in reserves of \$100,000 and surplus reserves of \$50,000.

This bill was signed by the Governor.

G. Dog Breed Discrimination in Homeowner’s Insurance
A.4075 Glick / S.4254 Gianaris
Chapter 545 of the Laws of 2021

This bill prohibits insurers from charging higher premiums for or from cancelling or refusing to renew homeowners' insurance policies based on the breed or mixed breed of a dog harbored on the covered person's property, unless such dog is designated as "dangerous" pursuant to the Agriculture and Markets Law or if prior paid claims have incurred as a result of such dog.

This bill was signed by the Governor.

H. Lead Paint Exclusion

A.7488 Rivera, J.D. / S.3079 Ryan

This legislation prohibits insurers licensed to provide liability coverage to rental property owners from excluding coverage for losses caused by exposure to lead-based paint. This prohibition would take effect 26 months following the immediate effective date and would mandate that all previously approved exclusions for losses caused by exposure to lead-based paint shall be terminated after said period.

This bill passed the Assembly.

▪ **AUTO INSURANCE** ▪

A. Repeal of No-Fault Insurance Law

A.101 Cahill / No Same As

This bill repeals all provisions related to no-fault insurance five years after the effective date. It requires the Superintendent of DFS to review and recommend to the Governor, the Temporary President of the Senate and the Speaker of the Assembly any other provisions of law which require amendments or repeal.

This bill was reported to Codes.

B. Renewal Auto Insurance

A.189 Perry / S.5664 Comrie

This legislation precludes insurers from canceling or refusing to renew policies solely because consumers have a pending complaint or claim in dispute against the insurer.

This bill was advanced to the Third Reading Calendar

C. For-Hire Driving Safety Course Premium Reduction

A.959 Hyndman / S.894 Comrie

Chapter 4 of the Laws of 2021

This bill makes clarifying changes to Chapter 347 of 2020 to ensure that drivers that elect to take a for-hire safety driving course and receive an actuarially-appropriate premium rate reduction on their commercial insurance policy, may also remain eligible for a premium rate reduction on their personal auto insurance policy upon completion of the nationally recognized defensive driving course. All courses established by for-hire vehicle associations require evaluation and approval by the Commissioner of Motor Vehicles.

This bill was signed by the Governor.

D. For-Hire Driving Safety Course Premium Reduction

A.1395 Perry / S.895 Liu

Chapter 85 of the Laws of 2021

This bill makes changes to Chapter 374 of the Laws of 2020, which established and authorized the sale of group auto insurance policies for commercial vehicles for use by for-hire vehicle associations, amending such language to eliminate the mandate for all insurance companies that offer commercial motor vehicle coverage to establish and offer such group fleet policies. The bill also establishes standards and authorizes the cancellation of policies due to noncompliance of standards by an insured and for insurers to cancel their group policy with appropriate notice.

This bill was signed by the Governor.

E. Driving History Verification

A.1809 Cahill / No Same As

This legislation requires insurance companies to check the driving history of a person before binding insurance in order to prevent the issuance of “bait and switch” low-priced policies. Requiring all carriers to run motor vehicle reports prior to binding coverage would guarantee the consumer receive a fair and accurate quote prior to committing to the expense.

This bill was reported to Rules.

F. Peer-to-Peer Car Sharing

A.2349-A Rodriguez / S.6715 Breslin

Chapter 795 of the Laws of 2021

This legislation establishes the Peer-to-Peer Car Sharing Program Act. The bill defines car sharing and outlines the requirements for a car share company to do business and establishes program liability provisions. It provides insurance coverage for program participants and third parties, requires consumer protections for participants in peer-to-peer car sharing programs and provides appropriate taxation for car sharing transactions.

This bill was signed by the Governor.

G. Automobile Physical Damage Inspections
A.6877 Zebrowski / S.6028 Breslin

This legislation authorizes insurers that offer coverage for motor vehicles to dispense with or defer the physical inspections required prior to issuing physical damage coverage for private passenger automobiles.

This bill was advanced to the Third Reading Calendar.

▪ **LIFE INSURANCE** ▪

A. Life and Annuity Consumer Servicing Options

A.7701 Hunter / S.5668-A Breslin

Chapter 266 of the Laws of 2021

This bill modernizes methods of consumer servicing that unauthorized insurers are permitted, in certain circumstances, to use, including telephone, video call, facsimile, web portal, electronic transfer of funds, or any other electronic means approved by the Superintendent of Financial Services. It allows the Superintendent to authorize transactions involving the continuance or servicing of life insurance policies or annuity contracts to be affected from outside this state by non-paper or paper mail methods.

This bill was signed by the Governor.

▪ MISCELLANEOUS ▪

A. Assessment Cooperative Umbrella Liability Insurance

A.1252 Gunther / S.903 Skoufis

Chapter 10 of the Laws of 2021

This bill makes clarifying changes to Chapter 366 of the Laws of 2020 to authorize assessment cooperative insurance companies to write commercial and personal umbrella liability insurance solely in conjunction with fire insurance under the same policy and covering the same premises.

This bill was signed by the Governor.

B. Municipal Reciprocal Insurance Subscriber Operating Reserve

A.3466 McDonald / S.4112 Breslin

Chapter 649 of the Laws of 2021

This bill allows municipal reciprocal insurers to authorize the return of any outstanding subscriber operating reserve balance upon demonstration of sufficient surplus to cover anticipated obligations and claims.

This bill was signed by the Governor.

C. Federal Home Loan Banks

A.3573 Cymbrowitz / S.4282 Breslin

This bill requires that federal home loan bank (FHLB) receivers shall not void a transfer of money or other property, arising in connection with a federal home loan bank security agreement made before any formal proceedings and in compliance with the security agreement, unless such transfer was made with the intent to hinder, delay or defraud the insurer-member, a receiver appointed for the insurer-member or existing/future creditors. It also requires that receivers shall not void a redemption or repurchase of any stock or equity securities which were made by the federal home loan bank within 4 months of a formal commencement of delinquency proceedings.

This bill passed the Assembly.

D. Independent Adjuster Character Witness Requirement

*A.3942 Cusick / S.5762 Breslin
Chapter 360 of the Laws of 2021*

This bill eliminates the requirement for independent insurance adjusters to produce five (5) character witnesses when applying for a license.

This bill was signed by the Governor.

E. Independent Adjuster Bonding Requirement

*A.3994 Cusick / S.5761 Breslin
Chapter 192 of the Laws of 2021*

This bill removes the \$1,000 bonding requirement for independent insurance adjusters.

This bill was signed by the Governor.

F. Wireless Communications Equipment Ancillary Benefit

*A.4672 Cahill / S.4483 Breslin
Chapter 307 of the Laws of 2021*

This bill allows credit card companies to offer an ancillary benefit for wireless communications equipment. It expands the coverage that a credit card issuer, debit card issuer, or bank may offer to their customers. Specifically, it authorizes the sale of coverage to protect a cell phone and other wireless communication equipment if it is damaged, lost, stolen, or incurs a breakdown.

This bill was signed by the Governor.

G. Independent Adjuster Bonding Requirement

*A.5379 Hunter / S.4326 Breslin
Chapter 679 of the Laws of 2021*

This bill permits insureds to obtain commercial liability policies with terms of less than one year upon request from an insurer that offers such policies.

This bill was signed by the Governor.

H. Domestic Violence Victims

A.2519 Cymbrowitz / S.7623 Liu

This bill allows a domestic violence victim covered by an insurance policy where

another person is the policyholder, to designate alternative contact information for the purpose of receiving insurance claim or billing information. The insurance company would be prohibited from disclosing to the policyholder the victim's contact information and the contact information of any person providing health care services to the victim or from mailing any information to any address other than that which was provided by the victim. This prohibition would remain in effect until a written request is made by the victim to cancel the withholding of information.

This bill passed the Assembly.

I. Independent Adjuster Bonding Requirement
A.6245-A Woerner / S.5581-A Breslin
Chapter 406 of the Laws of 2021

This legislation extends for two additional years, until 2025, provisions of law relating to catastrophic or reinsurance coverage issued to certain small groups.

This bill was signed by the Governor.

J. Civil Cause of Action for Unfair Claims Settlement Practices
A.7285 Weinstein / S.6813 Ramos

This bill provides for a civil cause of action for unfair claims settlement practices. The legislation differs from the action available to DFS under Article 26 currently, insofar as DFS must show a pattern of behavior to establish that the action is in fact a business practice. Under this bill, a policyholder may sue an insurer if the insurer: failed to provide accurate information; failed to effectuate prompt and fair settlement or reasonably accord at least equal or more favorable consideration to the insured's interests; failed to provide timely written denial; failed to make a final determination within 6 months; failed to act in good faith by compelling the policyholder to institute a suit to recover amounts due by offering substantially less than the amount ultimately recovered; failed to advise the policyholder that a claim may exceed policy limits, that they may retain independent counsel or the insurer has a conflict of interest; failed to pay a claim without conduction of a reasonable investigation; cut a known attorney of the policyholder out of settlement negotiations by directly settling with insured; or, violated any provisions of the Unfair Claims Settlement Act.

This bill was reported to Rules.

▪ OUTLOOK FOR 2022 ▪

Looking forward into the 2022 session, the Assembly Committee on Insurance will continue to explore legislative solutions to further stabilize New York's insurance market, strengthen protections for insureds and providers, remove barriers to access affordable and quality healthcare services and lower the cost for coverage in the state. This includes both refinement of existing systems and participation in efforts to comprehensively and pervasively change the way health care and health insurance is provided in New York State.

The COVID-19 pandemic affected every area of public policy in this state and the Committee will remain focused on evaluating the industry's response to this significant claims event, as well as the preparedness for other emergencies. As the pandemic persists, the Committee continued to defer formal hearings and roundtables that require the benefit of perspective to be fully effective. A similar approach was taken in recent years regarding massive storms that inflicted damage on communities, businesses, homeowners and individuals across the state and nation. In many examples, our post-event evaluation allowed us to identify that in-place property/casualty policies did not fully prove to be as responsive to the needs of policyholders as was expected. The Committee must continue to review and discuss legislative options that ensure the protection of New Yorkers from unforeseen catastrophic events and engage with consumers, industries and regulators, to learn from past experiences and to proactively prepare for such future events.

Stakeholders came together to negotiate terms to implement peer-to-peer car sharing in New York State. Both houses of the legislature passed legislation to establish liability insurance and taxation requirements for the peer-to-peer car sharing industry. Peer-to-peer car sharing offers a unique opportunity for the state to provide alternative travel and business options while also generating income for New Yorkers and revenue to the state. Now that a foundation has been laid, the Assembly Insurance Committee is committed to monitoring this new industry, advancing measures to further protect consumers and expand product options.

The Committee continues to be interested in examining the no-fault insurance law and the state of the automobile insurance industry within New York State. Engendering interest in this arcane and not easily understood area of insurance has proven to be elusive. Affordability, availability of additional types of automobile insurance, the effectiveness of the existing laws in protecting policyholders and accident victims, as well as evaluating alternatives to the no-fault system, are all significant areas of review that the Committee will assess in the coming session. The Committee will continue to work to spur interest in developing effective policies and reforms for these issues and protecting consumers against fraud and abuse in the no-fault system.

**APPENDIX A
2021 SUMMARY SHEET**

SUMMARY OF ACTION ON ALL BILLS
REFERRED TO THE COMMITTEE ON

Insurance

TOTAL NUMBER OF COMMITTEE MEETINGS HELD 6

BILLS REPORTED FAVORABLE TO:

	<u>Assembly Bills</u>	<u>Senate Bills</u>	<u>Total Bills</u>
Codes	16	0	16
Judiciary	0	0	0
Ways and Means	8	0	8
Rules	8	0	8
Floor	8	0	8
TOTAL	40	0	40

COMMITTEE ACTION

Held for Consideration	0	0	0
Defeated	0	0	0
Enacting Clause Stricken	1	0	1
REMAINING IN COMMITTEE	224	18	242

BILLS REFERENCE CHANGED TO:

TOTAL	0	0	0
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**APPENDIX B
CHAPTERS OF 2021**

Bill / Sponsor	Description	Final Action
A.651-A/Rosenthal, D. S.653-A/Sanders	Would permit insurers to deliver property/casualty insurance notices and documents electronically with the consent of the policyholder.	Chapter 761 of 2021
A.955/Thiele S.1307/Palumbo	Would make clarifying changes to Chapter 355 of 2020 to regarding the requirement for insurers to provide for a premium rate reduction upon completion by an insured of a boating safety or advanced boating safety course. If an insured were to take and complete such a course, the insurance company would be able to use their discretion in providing for a reduction in premiums based on assessed risk and underwriting criteria.	Chapter 113 of 2021
A.959/Hyndman S.894/Comrie	Would make clarifying changes to Chapter 347 of 2020 to ensure that drivers that elect to take a for-hire safety driving course and receive an actuarially-appropriate premium rate reduction on their commercial insurance policy may also remain eligible for a premium rate reduction on their personal auto insurance policy upon completion of a nationally-recognized defensive driving course.	Chapter 4 of 2021
A.1252/Gunther S.903/Skoufis	Would make clarifying changes to Chapter 366 of 2020 to authorize assessment cooperative insurance companies to write commercial and personal umbrella liability insurance solely in conjunction with fire insurance under the same policy and covering the same premises.	Chapter 10 of 2021
A.1395/Perry S.895/Liu	Would make changes to Chapter 374 of the Laws of 2020 which established and authorized the sale of group auto insurance policies for commercial vehicles for use by for-hire vehicle associations and to amend such language to eliminate the mandate for all insurance companies that offer commercial motor vehicle coverage to establish and offer such group fleet policies.	Chapter 85 of 2021
A.1677-A/Gottfried S.2008-B/Jackson	Would require explicit specification between partial approval of medical claims and a denial of medical claims on written notices from an insurer.	Chapter 694 of 2021

A.2349-A/Rodriguez S.6715/Breslin	Would enact the Peer-to-Peer Car Sharing Program Act, which provides guidelines for establishing peer-to-peer car sharing programs and outlines how they shall be insured, which cars shall be used, how drivers shall work under such programs and how liability should be determined under such programs in the case of an accident or damaged property.	Chapter 795 of 2021
A.3222-A/Hunter S.5760-A/Breslin	Would establish "excess business disability insurance" as a new non-basic form of coverage available as additional coverage or through the excess lines market.	Chapter 359 of 2021
A.3466/McDonald S.4112/Breslin	Would allow municipal reciprocal insurers to authorize the return of any outstanding subscriber operating reserve balance.	Chapter 649 of 2021
A.3516/McDonald S.7075/Breslin	Would require insurers to provide insureds or subscribers with an explanation of pharmaceutical benefits relating to claims under certain accident and health insurance policies.	Chapter 678 of 2021
A.3942/Cusick S.5762/Breslin	Would eliminate the requirement for independent insurance adjusters to produce five character witnesses when applying for a license.	Chapter 360 of 2021
A.3994/Cusick S.5761/Breslin	Would remove the \$1,000 bonding requirement for independent insurance adjusters.	Chapter 192 of 2021
A.4075/Glick S.4254/Gianaris	Would prohibit insurers from refusing to issue or renew, cancel, or charge or impose an increased premium for certain policies based solely on the breed of dog owned.	Chapter 545 of 2021
A.4668/Peoples-Stokes S.4111/Breslin	Would clarify that health insurance consumers covered by plans that are required to offer essential health benefits under the Affordable Care Act are protected from adverse effects of mid-year formulary changes and appropriately notified of formulary changes.	Chapter 780 of 2021
A.4672/Cahill S.4483/Breslin	Would allow credit card companies to offer an ancillary benefit for wireless communications equipment and would expand the coverage that a credit card issuer, debit card issuer, or bank may offer to their customers.	Chapter 307 of 2021
A.5379/Hunter S.4326/Breslin	Would permit insureds to obtain commercial liability policies with terms of less than one year upon request from an insurer that offers such policies.	Chapter 679 of 2021

A.5574/Cymbrowitz S.5231/Kavanaugh	Would require DFS, in coordination with the division of Housing and Community Renewal (HCR), to conduct a study to evaluate increases in insurance premiums and the effects on availability of insurance coverage for affordable housing developments.	Chapter 790 of 2021
A.6245-A/Woerner S.5581-A/Breslin	Would extend for two additional years, until 2025, provisions of law relating to catastrophic or reinsurance coverage issued to certain small groups.	Chapter 406 of 2021
A.7123/Woerner S. 6485-A/Breslin	Would authorize the continuation of a Managed Care Saving Account, limited to certain municipalities, to allow HMOs to offer group high deductible health plans, in conjunction with a health savings account or a health reimbursement account, provided that the municipality contributes an amount at least equal to the deductible required by the plan.	Chapter 619 of 2021
A.7315/Jackson S.4827/Salazar	Would direct the Department of Financial Services, in collaboration with the Department of Health, to study and report on covered benefits related to childbirth offered by health insurance policies and medical assistance, evaluate disparities in rates negotiated by insurers covering the birth and determine if statewide standards should be adopted.	Chapter 787 of 2021
A.7701/Hunter S.5668-A/Breslin	Would modernize methods of consumer servicing that unauthorized insurers are permitted, in certain circumstances, to use, including telephone, video call, facsimile, web portal, electronic transfer of funds, or other electronic means approved by the Superintendent of Financial Services.	Chapter 266 of 2021

**APPENDIX C
BILLS REPORTED IN 2021**

Bill / Sponsor	Description	Action
A.101/Cahill	Would repeal all provisions related to no-fault insurance five years after the effective date and require the Superintendent of DFS to review and recommend to the Governor, the Temporary President of the Senate and the Speaker of the Assembly any other provisions of law which require amendments or repeal.	Reported to Codes
A.189/Perry S.5664/Comrie	Would prevent insurers from canceling or refusing to renew policies solely because consumers have a pending complaint against the insurer or have a claim in dispute with the insurer.	Advanced to Third Reading Calendar
A.289-B/Gottfried S.2121-B/Rivera	Would enhance certain clinical standards, procedure for internal and external reviews and utilization review requirements for medically fragile children.	Advanced to Third Reading Calendar
A.372/Rosenthal, L. S.5690/Harckham	Would limit the imposition of co-payments for treatment at an opioid treatment program.	Advanced to Third Reading Calendar
A.603/Rosenthal, D. S.2627/Sanders	Would repeal provisions of law that require applicants for those renewing multi-family dwellings in New York City to complete an obsolete anti-arson application in order for their coverage to be effective.	Passed Assembly
A.651-A/Rosenthal, D. S.653-A/Sanders	Would permit insurers to deliver property/casualty insurance notices and documents electronically with the consent of the policyholder.	Chapter 761 of 2021
A.807/O'Donnell S.688/Hoylman	Would require insurance coverage for pre-exposure prophylaxis and post-exposure prophylaxis to prevent HIV infection.	Passed Assembly
A.950-B/Pheffer Amato S.6407-A/Sanders	Would require the Superintendent of DFS to promulgate regulations providing standards for hurricane windstorm deductibles which create, to the greatest extent possible, uniformity in the operation of such deductibles with respect to the triggering event.	Advanced to Third Reading Calendar
A.955/Thiele S.1307/Palumbo	Would make clarifying changes to Chapter 355 of 2020 regarding the requirement for insurers to provide for a premium rate reduction upon completion by an insured of a boating safety or	Chapter 113 of 2021

	advanced boating safety course. If an insured were to take and complete such a course, the insurance company would be able to use their discretion in providing for a reduction in premiums based on assessed risk and underwriting criteria.	
A.959/Hyndman S.894/Comrie	Would make clarifying changes to Chapter 347 of 2020 to ensure that drivers that elect to take a for-hire safety driving course and receive an actuarially-appropriate premium rate reduction on their commercial insurance policy may also remain eligible for a premium rate reduction on their personal auto insurance policy upon completion of a nationally recognized defensive driving course.	Chapter 4 of 2021
A.1171-A/Bronson S.6574-A/Kennedy	Would add mental health counselors, marriage and family therapists, social workers, creative arts therapists and psychoanalysts to the list of mental health professionals which must be covered for group accident and health insurance.	Passed Assembly
A.1252/Gunther S.903/Skoufis	Would make clarifying changes to Chapter 366 of 2020 to authorize assessment cooperative insurance companies to write commercial and personal umbrella liability insurance solely in conjunction with fire insurance under the same policy and covering the same premises.	Chapter 10 of 2021
A.1395/Perry S.895/Liu	Would make changes to Chapter 374 of the Laws of 2020 which established and authorized the sale of group auto insurance policies for commercial vehicles for use by for-hire vehicle associations and to amend such language to eliminate the mandate for all insurance companies that offer commercial motor vehicle coverage to establish and offer such group fleet policies.	Chapter 85 of 2021
A.1677-A/Gottfried S.2008-B/Jackson	Would require explicit specification between partial approval of medical claims and a denial of medical claims on written notices from an insurer.	Chapter 694 of 2021
A.1741/Gottfried S.5299/Rivera	Would require insurance companies or pharmacy benefit managers to apply price reduction instruments for out-of-pocket expenses when calculating an insured individual's cost-sharing requirement.	Advanced to Third Reading Calendar
A.1809/Cahill	Would require insurance companies to check the driving history of a person before binding insurance.	Reported to Rules

A.2085-A/Dinowitz S.906-B/Sanders	Would require health insurance providers to cover the costs of screening for men and women age 45 and older.	Passed Assembly
A.2236/Stern S.6595/Skoufis	Would establish claims investigation and settlement standards for insurance companies to follow in the event of a disaster.	Passed Assembly
A.2349-A/Rodriguez S.6715/Breslin	Would enact the Peer-to-Peer Car Sharing Program Act, which provides guidelines for establishing peer-to-peer car sharing programs and outlines how they shall be insured, which cars shall be used, how drivers shall work under such programs and how liability should be determined under such programs in the case of an accident or damaged property.	Chapter 795 of 2021
A.2519/Cymbrowitz S.7263/Liu	Would require health insurers to provide victims of domestic violence with the option of providing alternative contact information.	Passed Assembly
A.3222-A/Hunter S.5760-A/Breslin	Would establish "excess business disability insurance" as a new non-basic form of coverage available as additional coverage or through the excess lines market.	Chapter 359 of 2021
A.3466/McDonald S.4112/Breslin	Would allow municipal reciprocal insurers to authorize the return of any outstanding subscriber operating reserve balance.	Chapter 649 of 2021
A.3516/McDonald S.7075/Breslin	Would require insurers to provide insureds or subscribers with an explanation of pharmaceutical benefits relating to claims under certain accident and health insurance policies.	Chapter 678 of 2021
A.3573/Cymbrowitz S.4282/Breslin	Would require that federal home loan bank (FHLB) receivers shall not void a transfer of money or other property, arising in connection with a federal home loan bank security agreement made before any formal proceedings and in compliance with the security agreement, unless such transfer was made with the intent to hinder, delay or defraud the insurer-member, a receiver appointed for the insurer-member or existing/future creditors.	Passed Assembly
A.3942/Cusick S.5762/Breslin	Would eliminate the requirement for independent insurance adjusters to produce five character witnesses when applying for a license.	Chapter 360 of 2021
A.3994/Cusick S.5761/Breslin	Would remove the \$1,000 bonding requirement for independent insurance adjusters.	Chapter 192 of 2021

A.4075/Glick S.4254/Gianaris	Would prohibit insurers from refusing to issue or renew, cancel, or charge or impose an increased premium for certain policies based solely on the breed of dog owned.	Chapter 545 of 2021
A.4668/Peoples-Stokes S.4111/Breslin	Would clarify that health insurance consumers covered by plans that are required to offer essential health benefits under the Affordable Care Act are protected from adverse effects of mid-year formulary changes and appropriately notified of formulary changes.	Chapter 780 of 2021
A.4672/Cahill S.4483/Breslin	Would allow credit card companies to offer an ancillary benefit for wireless communications equipment and would expand the coverage that a credit card issuer, debit card issuer, or bank may offer to their customers.	Chapter 307 of 2021
A.5379/Hunter S.4326/Breslin	Would permit insureds to obtain commercial liability policies with terms of less than one year upon request from an insurer that offers such policies.	Chapter 679 of 2021
A.5574/Cymbrowitz S.5231/Kavanaugh	Would require DFS, in coordination with the division of Housing and Community Renewal (HCR), to conduct a study to evaluate increases in insurance premiums and the effects on availability of insurance coverage for affordable housing developments.	Chapter 790 of 2021
A.5854-A/Joyner S.3566/Breslin	Would prohibit insurance/pharmacy contracts from containing terms and conditions which are specifically designed to limit access to local retail pharmacies in favor of mail-order.	Delivered to the Governor 12/20/21
A.6245-A/Woerner S.5581-A/Breslin	Would extend for two additional years, until 2025, provisions of law relating to catastrophic or reinsurance coverage issued to certain small groups.	Chapter 406 of 2021
A.6877/Zebrowski S.6028/Breslin	Would authorize automobile insurers to dispense with or defer the physical inspections required prior to issuing physical damage coverage for private passenger automobiles.	Advanced to Third Reading Calendar
A.7123/Woerner S. 6485-A/Breslin	Would authorize the continuation of a Managed Care Saving Account, limited to certain municipalities, to allow HMOs to offer group high deductible health plans, in conjunction with a health savings account or a health reimbursement account, provided that the municipality contributes an	Chapter 619 of 2021

	amount at least equal to the deductible required by the plan.	
A.7285/Weinstein S.6813/Ramos	Would allow insurance policyholders to recover damages when an insurance company's refusal to pay or unreasonable delay in paying a claim was not substantially justified.	Reported to Rules
A.7315/Jackson S.4827/Salazar	Would direct the Department of Financial Services, in collaboration with the Department of Health, to study and report on covered benefits related to childbirth offered by health insurance policies and medical assistance, evaluate disparities in rates negotiated by insurers covering the birth and determine if statewide standards should be adopted.	Chapter 787 of 2021
A.7488/Rivera, J.D. S.3079/Ryan	Would prohibit insurers from excluding coverage for losses caused by exposure to lead paint.	Passed Assembly
A.7701/Hunter S.5668A/Breslin	Would modernize methods of consumer servicing that unauthorized insurers are permitted, in certain circumstances, to use, including telephone, video call, facsimile, web portal, electronic transfer of funds, or other electronic means approved by the Superintendent of Financial Services.	Chapter 266 of 2021
A.7704/Fernandez	Would refine requirements for coverage of mental health and substance use disorder services to promote insurer compliance with New York State parity and prompt payment laws.	Passed Assembly

**APPENDIX D
BILLS VETOED IN 2021**

	None Noted (as of 02/28/2022)	
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