



# HCFANY Alert!

June 29, 2009

In the 2009 Legislative Session, HCFANY has worked tirelessly to secure low-cost State health reform for New Yorkers by promoting a series of health insurance reform bills.

This summarizes legislative activity on these four bills.

## **COBRA to 36 months (A.8400/S.5471) – HCFANY SUPPORTS**

In these economically difficult times, this Bill would activate a State-option to extend COBRA health insurance rights from 18 to 36 months and would provide relief to New Yorkers who have lost their jobs or had a reduction in hours and, consequently, their health insurance.

*UPDATE: Passed the Assembly; passed Senate Insurance Committee.*

*HCFANY urges the Senate to address this bill in the Special Session, called by the Governor.*

## **Young Adult Coverage [A.9036 (Morelle)/S.6030 (Breslin)] – HCFANY SUPPORTS**

This bill requires employers that offer group coverage to give families the option of keeping young adults, age 19-29, on their parents' job-based coverage. The young adult must not have an offer of job-based coverage in his or her own job and must live/work/reside in New York State or in an area covered by the insurance carrier. Young adults in the two year Medicare waiting period would be eligible.

*UPDATE: This bill (negotiated on Friday evening June 19, 2009) replaces A. 8401/S.5469 a similar bill that included a discriminatory "age-rated" provision which HCFANY strongly opposed. It was introduced in the Assembly off the floor on Monday, June 22, 2009. Introduced in the Senate Sunday, June 21, 2009.*

*HCFANY urges the Senate to address this bill in the Special Session, called by the Governor.*

**Managed Care Reform Package [A.8402a(Morelle)/S.5472 (Breslin)] – HCFANY SUPPORTS**

This bill strengthens and updates the Managed Care Consumer Bill of Rights, by adding the following consumer protections: (1) Extends some—but not all—consumer protections to HMO look-alike products; (2) shortens utilization review time-lines for post-hospital discharges to one day; (3) requires approval of services if a utilization reviewer fails to act; (4) eliminates the rule that an enrollee’s contract must be in effect to get a credit from an insurer who failed to meet a required medical-loss ratio; (5) changes the external review criteria used for denials of treatment in the case of rare diseases; and (6) provides important rights to patients with rare diseases. This Bill also extends protections to providers. HCFANY believes this bill could be strengthened if more rights conferred to HMO look-alike products and it included a provision to permit SDOI review of insurance networks for adequacy, two important consumer provisions that were included in earlier versions of the bill.

***UPDATE: This bill is the result of negotiations between the Governor’s office, insurance, hospital and provider trade groups, consumers and staff from some members of the legislature last week (it also builds off of similar negotiations from the prior year). It passed the Assembly Insurance Committee and was referred to the Codes Committee on June 18, 2009. No activity in the Senate on S.5472, but Senate introduced S.6016 (Breslin) on Friday June 19, 2009, which contains stronger consumer and provider provisions.***

***HCFANY urges the Senate to address S. 5472 in the Special Session, called by the Governor.***

**Restore Prior Approval, Cap Profits (A.8280/S.5470) – SUPPORT, W/MODIFICATION**

This bill would: (1) restore prior approval of insurance rates to the state; and (2) cap insurance profits by setting the minimum medical-loss ratio at 85% for the individual and small-group markets. HCFANY supports this bill, with modifications to restore the public hearing process, raise the medical-loss ratio to 90% and other modifications.

***UPDATE: Assembly Insurance Chair Morelle held hearings on this bill on June 8, 2009. This Bill did not pass through Committees of jurisdiction during the regular 2009 legislative session.***

***HCFANY urges the Legislature to prioritize this issue next year.***