



MEMORANDUM IN OPPOSITION

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Re: A.3165 (Bradley) – AN ACT to amend the insurance law and the public health law, in relation to the display of participating physicians on an insurance provider's website.

This legislation, A.3165, would penalize health plans that voluntarily post provider listings on their Website for errors in those lists. In addition to requiring plans to eliminate providers who no longer participate with the plan from Website listings within 30 days, the bill also requires that services rendered by non-participating providers whose names mistakenly appear be reimbursed for services at an out-of-network rate. Health plans concur that accurate provider information for members is critical to smooth operations. However, without greater shared responsibilities, the solutions offered in this legislation will fail to achieve its goals. Accordingly, the New York Health Plan Association opposes this legislation.

Current law requires health plans to print and distribute a list of participating providers by specialty to every enrollee and to prospective enrollees upon request. Most plans also present this information on their Websites and make it available to members by telephone. This legislation is premised on the misperception that provider disaffiliation largely lies with actions of the plans. In reality, provider disaffiliations from health plans occur for a variety of reasons. Most often providers disaffiliate from plans because they have left practice, relocated out of the region or retired. Because providers are not required to inform plans when they become disaffiliated, plans are often in the dark as to the provider's status until the contract renewal period concludes.

The reimbursement provisions for providers previously under contract with plans further demonstrate the one-sided nature of this legislation. Under the provisions of this bill, a provider that disaffiliates from a health plan without informing the plan may then be able to obtain a higher rate of reimbursement for services rendered. This will increase the cost of health insurance and may result in some providers gaming the system.

If the intent of this legislation is to assist enrollees in finding participating providers, HPA believes this could be achieved with the following amendments:

1. Require all providers who leave a network by their own volition to formally notify the plan in writing of their disaffiliation 60 days in advance of their final day of plan participation. Failure to provide that notice will require the plan to reimburse the provider at a usual and customary charge with no additional "balance billing" to the patient.

The New York Health Plan Association represents 25 managed care health plans that provide comprehensive health care services to nearly 7 million New Yorkers.

2. Require every provider to post, visible to the public, a list of health insurers with which they are affiliated and, prior to offering an uncovered patient a service, inform a patient they could be responsible for additional out-of-pocket expenses.
3. To ease administration, the legislation should require Website updating every 60 days.

Maintaining accurate participating provider lists is a worthy goal and of benefit to enrollees. It is also a shared responsibility that requires cooperation between providers and plans to ensure the proper flow and exchange of information. Until significant amendments are made to A.3165, HPA strongly opposes its passage.