

MEDICAL SOCIETY
of the
STATE OF NEW YORK

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MEMORANDUM IN SUPPORT

IN SENATE HEALTH COMMITTEE

S.5675 (HANNON)

IN ASSEMBLY INSURANCE COMMITTEE

A.7671 (ROSENTHAL)

AN ACT to amend the public health law and the insurance law, in relation to requiring health care insurers to offer coverage for health care provided by out-of-network providers

This bill would amend the Public Health Law and Insurance Law to require health insurance companies to offer, both inside and outside of New York's Health Insurance Exchange, the option to purchase coverage for out-of-network care. **The Medical Society of the State of New York strongly supports this legislation.**

New York's Health Insurance Exchange has been a model for the nation, facilitating the ability of over 2 million New Yorkers to obtain needed health insurance coverage for their health care needs. However, shockingly, there are many areas of New York State, including in the Hudson Valley, New York City and Long Island, where there are **no policies** available in the individual Exchange market that will allow consumers to have coverage to be treated by the physician of their choice. It is remarkable that this coverage option is not available to New Yorkers, despite the significant consumer demand to have such out of network coverage option, and despite the fact that Exchange officials have "strongly encouraged" insurers to offer such out of network options as a condition of offering coverage in the Exchange.

Exacerbating this problem is the limited networks that many patients enrolled in these Exchange plans face. Many New York physicians report having been unfairly excluded from Exchange networks despite their desire to participate in these plans, narrowing the care options available to patients. There also continue to be numerous inaccuracies in "participating" physicians listed on health insurer websites, including listing physicians who actually do not participate, who are not taking on new patients, or have the wrong contact information. There have

been multiple media reports¹ of New Yorkers who became so frustrated by the pervasive inaccuracies in the participating physicians list provided by insurance companies that they sued these insurers.²

MSSNY recently conducted a survey of its member physicians that detailed these problems with health insurance companies, included the impact on helping their patients to receive the care they need. In particular, the survey noted that:

- Nearly 80% of responding physicians indicated that they encountered a situation where one of their patients could not receive the care they need due to the inadequacy of a health insurer's network;
- Over 50% of responding physicians indicated that they were inappropriately listed as a participating provider on a health insurer's website;
- Over 25% of responding physicians indicated that they had been completely dropped from a health insurer network in the last 2 years; and
- Over 40% of responding physicians indicated that they were excluded from a new coverage product where they were not invited to participate.

Legislation enacted in 2014 to better enable New Yorkers to be treated by an out of network physician if the insurer's network is insufficient could be helpful in addressing some of the network limitations patients' face. However, ALL New Yorkers should have the choice to purchase out of network coverage when making the decision which health insurance policy best meets their needs. To make New York's Exchange work even better for its residents, this legislation is needed to require health insurers to offer out of network options in the New York Health Insurance Exchange individual market.

Based on the foregoing, the Medical Society of the State of New York supports this legislation and urges its enactment.

5/9/17
MMA – Support

Respectfully submitted,

MSSNY DIVISION OF GOVERNMENTAL AFFAIRS

¹ “ NYC man sues health care provider Fidelis Care, says Obamacare gave him few options and insurer's site was 'plagued with errors'”, NY Daily News , December 29, 2015

² “ Man sues Empire insurance company, claims search for doctor became 'frustrating' runaround” NY Daily News, October 7, 2014