



STATE OF NEW YORK
INSURANCE DEPARTMENT
AGENCY BUILDING ONE
EMPIRE STATE PLAZA
ALBANY, NY 12257

Circular Letter No. 1 (1998)
January 15, 1998

TO: ALL INSURERS, INCLUDING ARTICLE 43 CORPORATIONS AND HEALTH MAINTENANCE ORGANIZATIONS, AUTHORIZED TO WRITE ACCIDENT AND HEALTH INSURANCE, WORKERS' COMPENSATION INSURANCE OR AUTOMOBILE NO-FAULT INSURANCE IN NEW YORK STATE

RE: ELECTRONIC ACCEPTANCE OF HEALTH INSURANCE CLAIMS, INCLUDING WORKERS' COMPENSATION AND NO-FAULT

As a service to the insurance industry and the health care provider community, the Insurance Department will maintain an updated listing of current electronic addresses for the submission of electronic claims for licensed insurers, fraternal benefit societies, Article 43 corporations and HMOs on the Department's Internet website (www.ins.state.ny.us). This site will also link to the Health Department's listing of health care providers that have been granted an exemption from this requirement, when available.

Section 2807-e of the Public Health Law, which was added as part of Chapter 731 of the Laws of 1993, mandates the use of a standardized electronic claims format by both providers of health care services and third party payors for other than Medicare claims. The requirement for electronic submission of all claims to third party payors is now applicable to all health care providers, including general hospitals, diagnostic and treatment centers, ambulatory surgery centers, and physicians. This circular letter is intended to assist insurers in complying with their obligation to accept claims submitted in the standardized electronic format.

The applicability of section 2807-e is intentionally broad. Covered payors include: State and local governments; corporations organized under Article 43 of the Insurance Law; health maintenance organizations; licensed insurers, employers or other parties making payments for persons eligible for benefits under the Workers' Compensation Law, the Volunteer Firefighters' Benefit Law, or the Comprehensive Motor Vehicle Insurance Reparations Act; self insured funds which provide for reimbursement directly to health care providers on an expense incurred basis; and commercial insurers with policies in force which provide accident and health insurance benefits on an expense incurred basis. Insurers with a small volume of claims (less than 1000 per year) may apply for an exemption from the requirement to accept electronic submission of claims. Requests for an exemption, together with information concerning the number of claims processed may be submitted to:

H. Stanley Kaltenborn, Jr.
Associate Insurance Policy Examiner
New York State Insurance Department
Agency Building 1
Empire State Plaza

Albany, NY 12257

After Insurance Department review, the request will be transmitted to the Health Department for their review and the formal granting of an exemption.

Providers of health care services are also eligible to receive an exemption from the requirement to submit claims electronically. Insurers can check whether a health care provider has received an exemption, and is therefore eligible to continue to submit paper claims, by contacting the Health Department. Their internet website is located at www.health.state.ny.us.

Submission of an electronic address to the Department is voluntary; however, each company's participation is strongly requested. Please submit the Company name, NAIC #, and appropriate electronic address for publication on the Insurance Department's website. Please also submit the name, title, address, phone number, fax number and email address of a contact person. Information regarding the contact person will be collected, but will not appear on the website. All information may be submitted via email to:

Systems@ins.state.ny.us

Subject: Electronic Addresses for Health Insurance Claims

or by mail to:

Electronic Addresses for Health Insurance Claims

Systems Bureau

New York State Insurance Department

Agency Building 1

Empire State Plaza

Albany, NY 12257

Companies are requested to update the Department in a timely manner as their information changes.

Fredric L. Bodner, JD
Assistant Deputy Superintendent
and Chief, Health Bureau