



**STATE OF NEW YORK
INSURANCE DEPARTMENT
25 BEAVER STREET
NEW YORK, NEW YORK 10004**

**SUPPLEMENT NO. 1 TO
CIRCULAR LETTER NO. 18 (1997)
MAY 6, 1998**

**TO: ALL LICENSED PROPERTY/CASUALTY INSURERS AUTHORIZED TO WRITE WORKERS'
COMPENSATION INSURANCE IN NEW YORK STATE**

**RE: WORKERS' COMPENSATION POLICIES REPORTING REQUIREMENTS FOR PREFERRED
PROVIDER ORGANIZATION - SUBPART 325-8.4 OF TITLE 12 NYCRR**

This will supplement Circular Letter No. 18 (1997), issued on December 22, 1997, which set forth procedures to be followed by insurers for filing and issuing credits for workers' compensation managed care programs in New York.

In addition to those procedures, insurers utilizing state-approved managed care programs must comply with the requirements set forth in Subpart 325-8.4 of the Workers' Compensation Board Rules (Title 12 of NYCRR) which reads as follows:

"All insurance carriers and self-insured employers who have contracted with a preferred provider organization for treatment of workers' compensation injuries and illnesses shall report to the Chair the names and addresses of insured employers who have elected to utilize the preferred provider organization. As required by the Chair, such carriers and self-insured employers shall also report to the Chair, in a prescribed format, specified data pertaining to utilization, quality of care, costs and outcomes."

Documentation evidencing compliance with such requirements must be maintained in the appropriate underwriting file for review and examination by this Department upon request. The failure to adhere to such reporting requirements and to maintain proper documentation may result in disciplinary action by this Department. Questions regarding this Circular Letter should be directed to:

Marielle Brutus, Insurance Examiner
New York State Insurance Department
Property Bureau
25 Beaver Street
New York, New York 10004
Telephone No. 212-480-5513

Very truly yours,

Mark Presser
Assistant Deputy Superintendent
and Bureau Chief
Property Bureau