

February 15, 1978

SUBJECT: INSURANCE

WITHDRAWN
(EFF. 12-4.03)

Circular Letter No. 5 (1978)

February 15, 1978

TO: ALL INSURERS LICENSED TO WRITE AUTOMOBILE INSURANCE IN NEW YORK STATE

SUBJECT: IMPLEMENTATION OF CHAPTER 892 OF THE LAWS OF 1977 -- AUTOMOBILE INSURANCE REFORM LAW

It has come to the attention of the Insurance Department that some automobile insurers, when obtaining information concerning an insured's health coverage, have led insureds to believe that they can exercise an option to obtain the no-fault health coverage from a health insurer automatically upon notification to the automobile insurer.

Section 672(7) of the Insurance Law permits a health insurer, after approval from the Superintendent, to provide no-fault health insurance coverage. To date, no health insurer has opted to provide the no-fault health insurance coverage required under the Insurance Law.

Automobile insurers should not eliminate no-fault health insurance coverage under the automobile insurance policy unless notification has been received and names of covered persons have been furnished by the health insurer verifying that such persons are entitled to no-fault health insurance benefits under their health insurance policy.

Reimbursement Rates for Hospital and Health Related Services Under No-Fault

In accordance with the provisions of Chapter 767 of the Laws of 1977, the Chairman of the Workmen's Compensation Board has approved rates of reimbursement for hospital and certain health related services. A copy of the reimbursement rates approved by the Chairman of the Workmen's Compensation Board is enclosed and should be used by no-fault insurers for payment of services performed on or after January 1, 1978, pursuant to the provisions of Insurance Department Regulation 83.

[SIGNATURE]

Albert B. Lewis

Superintendent of Insurance