



Legislation Text

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Int. No. 521

By Council Members De La Rosa and Louis

A Local Law to amend the administrative code of the city of New York, in relation to the administration of employee benefits

Be it enacted by the Council as follows:

Section 1. Chapter 1 of title 12 of the administrative code of the city of New York is amended by adding a new section 12-143 to read as follows:

§ 12-143 Administration of certain employee benefits. a. Definitions. As used in this sections, the following terms have the following meanings:

Benefit. The term “benefit” includes the supplemental benefits provided to the non-unionized employees of the city through the management benefits fund, and the benefits provided to employees through the flexible spending accounts program.

Help center. The term “help center” means the city benefits help center required by section 12-144.

b. Claims processing; minimum standards. Subject to applicable federal and state laws and regulations, claims for benefits shall be determined as expeditiously as practicable and within 14 calendar days of filing. Upon any denial of benefits claimed, the basis for denial, the opportunity to appeal such denial, and, if applicable, the opportunity to correct or supplement such claim shall be communicated to the claimant immediately by mail and electronically, if such claimant has elected to receive such communication electronically. Any corrected or supplemented claim shall be determined within 5 calendar days of receipt of such corrected or supplemented claim. Claimants shall have the option to communicate with benefits administrators, in relation to claims for benefits, electronically and by phone. Inquiries from claimants

regarding claims for benefits shall be responded to within 24 business hours.

c. Claims tracking application. 1. No later than March 1, 2025, the office of labor relations or another agency designated by the mayor to administer benefits shall establish an online application designed to streamline the administration of benefits and provide a single portal to employees who register for access for the purpose of tracking claims for benefits. Such portal shall be accessible remotely from a computer terminal with intranet or internet access in compliance with any local, state, and federal laws, regulations and rules, including those related to privacy protection.

2. Through such portal, employees shall be permitted to:

(a) Submit claims for benefits, including any required documentation, electronically;

(b) Track the status of each claim for benefits submitted, which may include “under review,” “approved,” “denied,” and such other plain descriptors;

(c) Obtain the details of determinations of claims and plain instructions to correct or supplement claims, as applicable;

(d) Receive electronic notification of claims status changes;

(e) Identify whether a claim for benefits submitted is subject to a processing standard set forth in subdivision b of this section, which shall include an indication whether such claim has been determined in accordance with subdivision b of this section;

(f) Access information in relation to the process for submitting and processing claims; and

(g) Communicate electronically with claims administrators in relation to claims submitted and with the help center.

d. Annual reporting. No later than April 1, 2026, and no later than every April 1 thereafter, the commissioner of the office of labor relations or another agency designated by the mayor to administer employee benefits shall submit to the speaker of the council a report summarizing the following information:

1. The number of employees who registered to access the claims tracking application required by

subdivision c of this section as of March 1 of the year in which such report is submitted;

2. The number of claims for benefits submitted, disaggregated by agency and the type of benefit, for the preceding year;

3. The number of such claims that were finally determined;

4. The number of such claims that were denied, whether upon an initial review or subsequent review, disaggregated by the general reason for denial;

5. The average number of days between the submission of such claims and the final determination of such claims;

6. The number of such claims that were denied after an initial review, but that were approved after submission of additional information or documentation;

7. The number of such claims that were not timely processed in accordance with the minimum standards set forth in subdivision b of this section; and

8. A description of the most common questions regarding benefits posed to administrators of such benefits in the preceding year.

§ 2. Chapter 1 of title 12 of the administrative code of the city of New York is amended by adding a new section 12-144 to read as follows:

§ 12-144 City benefits help center. a. Definitions. As used in this section, the following terms have the following meanings:

Benefit. The term “benefit” means all benefits offered by the city to employees.

Help center. The term “help center” means the city benefits help center required by this section.

b. The office of labor relations or another agency designated by the mayor to administer benefits shall operate a help center to offer information and guidance to employees in relation to all benefits programs and the processing of claims for benefits. Such help center may be established within the office of labor relations or another agency designated by the mayor. Such help center shall maintain a webpage that includes information

in relation to services offered by such help center, and information in relation to benefits, including, but not limited to: the availability of the claims tracking portal required by section 21-143; the requirements for submitting a claim for benefits; applicable claims processing standards; grounds for a claim for benefits to be denied; and contact information for each benefit provider.

c. The help center shall have the duty to address employee inquiries regarding the administration of employee benefits within 24 business hours from the receipt of any such inquiry. The help center shall offer, and an employee shall indicate their preference of, lines of communication through email, live chat, phone, or mail. Staff of such center shall have comprehensive knowledge of benefits, including the interrelationship of benefits, and shall competently address inquiries from employees that relate to benefits.

d. The help center may operate entirely remotely.

§ 3. City benefits utilization and satisfaction survey. a. Definitions. As used in this section, the following terms have the following meanings:

Benefit. The term “benefit” includes the supplemental benefits provided to the non-unionized employees of the city through the management benefits fund, and the benefits provided to employees through the flexible spending accounts program.

City. The term “city” means the city of New York.

Employee. The term “employee” means any person whose salary in whole or in part is paid out of the city treasury.

b. No later than March 1, 2025, the office of labor relations or another agency designated by the mayor to administer benefits shall create a benefits utilization and satisfaction survey, to be administered online, the responses to which shall be voluntary and confidential. Such survey shall be designed to elicit information in relation to employee utilization of benefits and satisfaction with benefits and benefits administration. Survey instructions shall emphasize that employee responses will be confidential.

c. Such survey shall include, but need not be limited to, the following inquiries:

1. Whether, prior to taking such survey, the employee was aware of all available benefits and the processes by which such benefits could be obtained;

2. Which benefits the employee has used in the past or currently uses, and why or why not;

3. Whether the employee has participated in an information session related to the utilization of a benefit;

4. Any challenges the employee has encountered when applying for benefits or filing or processing a claim for reimbursement; and

5. Any recommended or requested improvements the employee requests in the substance or administration of benefits.

d. No later than June 1, 2025, the commissioner of the office of labor relations shall submit to the speaker of the council and post conspicuously on its website a report summarizing the survey responses to questions described in subdivision c of this section.

§ 4. This local law takes effect 180 days after it becomes law.

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