

STATE OF NEW YORK

8426--A

2025-2026 Regular Sessions

IN SENATE

June 10, 2025

Introduced by Sen. BROUK -- read twice and ordered printed, and when printed to be committed to the Committee on Rules -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the insurance law, in relation to preventing discrimination by insurers based on an individual's mental health or substance use disorder

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Section 3216 of the insurance law is amended by adding a new subsection (n) to read as follows:

(n) (1) Every insurer issuing a policy delivered or issued for delivery in this state that provides coverage for any mental health or substance use disorder services shall:

(A) comply with the requirements of the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008 and its implementing regulations; and

(B) not discriminate in its plan benefit design or application against individuals because of their history of present, or predicted mental health or substance use disorder.

(2) The commissioner of mental health shall promulgate rules and regulations to incorporate the regulatory requirements related to the Mental Health Parity and Addiction Equity Act at 89 Fed. Reg. 77735 through 89 Fed. Reg. 77751, as found on September twenty-third, two thousand twenty-four, in their entirety, in relation to the provisions of this subsection.

(3) Data collected pursuant to section three hundred forty-three of this chapter, and any other data requested by the superintendent, may be used to assess compliance with the requirements of paragraph one of this subsection.

EXPLANATION--Matter in italics (underscored) is new; matter in brackets [-] is old law to be omitted.

LBD13343-02-5

(4) If an insurer provides any benefits for a mental health or substance use disorder in any classification of benefits, it shall provide meaningful benefits for such mental health or substance use disorder in every classification in which medical or surgical benefits are provided. "Core treatments" means standard treatments or courses of treatment, therapy, service, or intervention indicated by generally accepted standards of mental health or substance use disorder care. For purposes of this paragraph, whether the benefits provided are considered "meaningful benefits" shall be determined in comparison to the benefits provided for medical conditions and surgical procedures in the classification and shall require, at a minimum, coverage of benefits for that condition or disorder in each classification in which the insurer provides benefits for one or more medical conditions or surgical procedures. An insurer does not provide meaningful benefits under this subsection unless it provides benefits for core treatments for that condition or disorder in each classification in which the insurer provides benefits for core treatments for one or more medical conditions or surgical procedures. If there is no core treatment for a covered mental health or substance use disorder with respect to a classification, the insurer shall not be required to provide benefits for core treatments for such condition or disorder in that classification, but shall provide benefits for such condition or disorder in every classification in which medical or surgical benefits are provided.

(5) For the purposes of determining comparability and stringency for nonquantitative treatment limitations, an insurer shall not rely upon discriminatory factors or evidentiary standards to design a nonquantitative treatment limitation to be imposed on mental health or substance use disorder benefits. A factor or evidentiary standard is discriminatory if the information, evidence, sources, or standards on which the factor or evidentiary standard are based are biased or not objective in a manner that discriminates against mental health or substance use disorder benefits as compared to medical or surgical benefits.

(6) A nonquantitative treatment limitation applicable to mental health or substance use disorder benefits in a classification shall not, in operation, be more restrictive than the predominant nonquantitative treatment limitation applied to substantially all medical and surgical benefits in the classification. To test compliance with this paragraph, an insurer shall collect and evaluate relevant data in a manner reasonably designed to assess the impact of the nonquantitative treatment limitation on relevant outcomes related to access to mental health or substance use disorder benefits and medical and surgical benefits and carefully consider the impact as part of the plan's evaluation. As part of its evaluation, the insurer may not disregard relevant outcomes data that it knows or reasonably should know suggest that a nonquantitative treatment limitation is associated with material differences in access to mental health or substance use disorder benefits as compared to medical and surgical benefits. To the extent the relevant data evaluated suggests that the nonquantitative treatment limitation contributes to material differences in access to mental health or substance use disorder benefits as compared to medical or surgical benefits in a classification, such differences shall be considered a strong indicator of a noncompliant nonquantitative treatment limitation. Where the relevant data suggest that the nonquantitative treatment limitation contributes to material differences in access to mental health or substance use disorder benefits as compared to medical and surgical benefits in a classification, the insurer shall take reasonable action, as necessary,

1 to address the material differences to ensure compliance, in operation,
2 and shall document the actions that have been or are being taken by the
3 insurer to address material differences in access to mental health or
4 substance use disorder benefits, as compared to medical and surgical
5 benefits.

6 (7) An insurer providing coverage for mental health or substance use
7 disorder benefits shall submit an annual report starting on January
8 first, two thousand twenty-six and annually thereafter, that contains
9 the information described in 29 USC 1185a(a)(8)(A) and 42 USC
10 300gg-26(a)(8)(A). The report required shall be posted on a publicly
11 available website whose web address is prominently displayed in plan
12 informational and marketing materials.

13 (8) If a health care provider, a current or prospective enrollee or an
14 employer requests one or more nonquantitative treatment limitation pari-
15 ty compliance analyses that the insurer is required to have completed
16 pursuant to 29 U.S.C. Sec. 1185a or 42 U.S.C. Sec. 300gg-26, the insurer
17 shall provide the requested analyses free of charge within thirty days.
18 The insurer shall include in each of their health plan policies and
19 mental health and substance use disorder provider contracts a notifica-
20 tion of the right to request nonquantitative treatment limitation
21 analyses free of charge. The notification shall include information on
22 how to request the analyses. In addition to any other action authorized
23 under this chapter, failure by an insurer to provide the full requested
24 analyses shall result in a penalty of one hundred dollars per day, which
25 shall be collected by the superintendent and remitted to the requestor.
26 If the request under this paragraph is made in connection with an
27 adverse benefit determination and the insurer fails to provide the
28 required analyses as required by this paragraph, the adverse benefit
29 determination shall be automatically reversed.

30 (9) The superintendent may adopt rules or guidance as necessary to
31 implement and administer the provisions of paragraphs one through seven
32 of this subsection, and such rules or guidance shall have the force of
33 law and shall include:

34 (A) specifying data testing requirements to determine plan design and
35 application parity and nondiscrimination compliance using outcomes data;

36 (B) setting standard definitions; and

37 (C) establishing specific timelines for insurer compliance with the
38 requirements of this subsection, including the effect of an insurer's
39 lack of sufficient comparative analyses or other required information
40 necessary to demonstrate compliance.

41 § 2. Section 3221 of the insurance law is amended by adding a new
42 subsection (v) to read as follows:

43 (v) (1) Every insurer issuing a policy delivered or issued for deliv-
44 ery in this state that provides coverage for any mental health or
45 substance use disorder services shall:

46 (A) comply with the requirements of the Paul Wellstone and Pete Domen-
47 ici Mental Health Parity and Addiction Equity Act of 2008 and its imple-
48 menting regulations; and

49 (B) not discriminate in its plan benefit design or application against
50 individuals because of their history of present, or predicted mental
51 health or substance use disorder.

52 (2) The commissioner of mental health shall promulgate rules and regu-
53 lations to incorporate the regulatory requirements related to the Mental
54 Health Parity and Addiction Equity Act at 89 Fed. Reg. 77735 through 89
55 Fed. Reg. 77751, as found on September twenty-third, two thousand twen-

1 ty-four, in their entirety, in relation to the provisions of this
2 subsection.

3 (3) Data collected pursuant to section three hundred forty-three of
4 this chapter, and any other data requested by the superintendent, may be
5 used to assess compliance with the requirements of paragraph one of this
6 subsection.

7 (4) If an insurer provides any benefits for a mental health or
8 substance use disorder in any classification of benefits, it shall
9 provide meaningful benefits for such mental health or substance use
10 disorder in every classification in which medical or surgical benefits
11 are provided. "Core treatments" means standard treatments or courses of
12 treatment, therapy, service, or intervention indicated by generally
13 accepted standards of mental health or substance use disorder care. For
14 purposes of this paragraph, whether the benefits provided are considered
15 "meaningful benefits" shall be determined in comparison to the benefits
16 provided for medical conditions and surgical procedures in the classi-
17 fication and shall require, at a minimum, coverage of benefits for that
18 condition or disorder in each classification in which the insurer
19 provides benefits for one or more medical conditions or surgical proce-
20 dures. An insurer does not provide meaningful benefits under this
21 subsection unless it provides benefits for core treatments for that
22 condition or disorder in each classification in which the insurer
23 provides benefits for core treatments for one or more medical conditions
24 or surgical procedures. If there is no core treatment for a covered
25 mental health or substance use disorder with respect to a classifica-
26 tion, the insurer shall not be required to provide benefits for core
27 treatments for such condition or disorder in that classification, but
28 shall provide benefits for such condition or disorder in every classi-
29 fication in which medical or surgical benefits are provided.

30 (5) For the purposes of determining comparability and stringency for
31 nonquantitative treatment limitations, an insurer shall not rely upon
32 discriminatory factors or evidentiary standards to design a nonquantita-
33 tive treatment limitation to be imposed on mental health or substance
34 use disorder benefits. A factor or evidentiary standard is discriminato-
35 ry if the information, evidence, sources, or standards on which the
36 factor or evidentiary standard are based are biased or not objective in
37 a manner that discriminates against mental health or substance use
38 disorder benefits as compared to medical or surgical benefits.

39 (6) A nonquantitative treatment limitation applicable to mental health
40 or substance use disorder benefits in a classification shall not, in
41 operation, be more restrictive than the predominant nonquantitative
42 treatment limitation applied to substantially all medical and surgical
43 benefits in the classification. To test compliance with this paragraph,
44 an insurer shall collect and evaluate relevant data in a manner reason-
45 ably designed to assess the impact of the nonquantitative treatment
46 limitation on relevant outcomes related to access to mental health or
47 substance use disorder benefits and medical and surgical benefits and
48 carefully consider the impact as part of the plan's evaluation. As part
49 of its evaluation, the insurer may not disregard relevant outcomes data
50 that it knows or reasonably should know suggest that a nonquantitative
51 treatment limitation is associated with material differences in access
52 to mental health or substance use disorder benefits as compared to
53 medical and surgical benefits. To the extent the relevant data evaluated
54 suggests that the nonquantitative treatment limitation contributes to
55 material differences in access to mental health or substance use disor-
56 der benefits as compared to medical or surgical benefits in a classi-

1 fication, such differences shall be considered a strong indicator of a
2 noncompliant nonquantitative treatment limitation. Where the relevant
3 data suggest that the nonquantitative treatment limitation contributes
4 to material differences in access to mental health or substance use
5 disorder benefits as compared to medical and surgical benefits in a
6 classification, the insurer shall take reasonable action, as necessary,
7 to address the material differences to ensure compliance, in operation,
8 and shall document the actions that have been or are being taken by the
9 insurer to address material differences in access to mental health or
10 substance use disorder benefits, as compared to medical and surgical
11 benefits.

12 (7) An insurer providing coverage for mental health or substance use
13 disorder benefits shall submit an annual report starting on January
14 first, two thousand twenty-six and annually thereafter, that contains
15 the information described in 29 USC 1185a(a)(8)(A) and 42 USC
16 300gg-26(a)(8)(A). The report required shall be posted on a publicly
17 available website whose web address is prominently displayed in plan
18 informational and marketing materials.

19 (8) If a health care provider, a current or prospective enrollee or an
20 employer requests one or more nonquantitative treatment limitation pari-
21 ty compliance analyses that the insurer is required to have completed
22 pursuant to 29 U.S.C. Sec. 1185a or 42 U.S.C. Sec. 300gg-26, the insurer
23 shall provide the requested analyses free of charge within thirty days.
24 The insurer shall include in each of their health plan policies and
25 mental health and substance use disorder provider contracts a notifica-
26 tion of the right to request nonquantitative treatment limitation
27 analyses free of charge. The notification shall include information on
28 how to request the analyses. In addition to any other action authorized
29 under this chapter, failure by an insurer to provide the full requested
30 analyses shall result in a penalty of one hundred dollars per day, which
31 shall be collected by the superintendent and remitted to the requestor.
32 If the request under this paragraph is made in connection with an
33 adverse benefit determination and the insurer fails to provide the
34 required analyses as required by this paragraph, the adverse benefit
35 determination shall be automatically reversed.

36 (9) The superintendent may adopt rules or guidance as necessary to
37 implement and administer the provisions of paragraphs one through seven
38 of this subsection, and such rules or guidance shall have the force of
39 law and shall include:

40 (A) specifying data testing requirements to determine plan design and
41 application parity and nondiscrimination compliance using outcomes data;

42 (B) setting standard definitions; and

43 (C) establishing specific timelines for insurer compliance with the
44 requirements of this subsection, including the effect of an insurer's
45 lack of sufficient comparative analyses or other required information
46 necessary to demonstrate compliance.

47 § 3. Section 4303 of the insurance law is amended by adding a new
48 subsection (ww) to read as follows:

49 (ww) (1) Every corporation issuing a contract delivered or issued for
50 delivery in this state that provides coverage for any mental health or
51 substance use disorder services shall:

52 (A) comply with the requirements of the Paul Wellstone and Pete Domen-
53 ici Mental Health Parity and Addiction Equity Act of 2008 and its imple-
54 menting regulations; and

1 (B) not discriminate in its plan benefit design or application against
2 individuals because of their history of present, or predicted mental
3 health or substance use disorder.

4 (2) The commissioner of mental health shall promulgate rules and regu-
5 lations to incorporate the regulatory requirements related to the Mental
6 Health Parity and Addiction Equity Act at 89 Fed. Reg. 77735 through 89
7 Fed. Reg. 77751, as found on September twenty-third, two thousand twen-
8 ty-four, in their entirety, in relation to the provisions of this
9 subsection.

10 (3) Data collected pursuant to section three hundred forty-three of
11 this chapter, and any other data requested by the superintendent, may be
12 used to assess compliance with the requirements of paragraph one of this
13 subsection.

14 (4) If an insurer provides any benefits for a mental health or
15 substance use disorder in any classification of benefits, it shall
16 provide meaningful benefits for such mental health or substance use
17 disorder in every classification in which medical or surgical benefits
18 are provided. "Core treatments" means standard treatments or courses of
19 treatment, therapy, service, or intervention indicated by generally
20 accepted standards of mental health or substance use disorder care. For
21 purposes of this paragraph, whether the benefits provided are considered
22 "meaningful benefits" shall be determined in comparison to the benefits
23 provided for medical conditions and surgical procedures in the classi-
24 fication and shall require, at a minimum, coverage of benefits for that
25 condition or disorder in each classification in which the insurer
26 provides benefits for one or more medical conditions or surgical proce-
27 dures. An insurer does not provide meaningful benefits under this
28 subsection unless it provides benefits for core treatments for that
29 condition or disorder in each classification in which the insurer
30 provides benefits for core treatments for one or more medical conditions
31 or surgical procedures. If there is no core treatment for a covered
32 mental health or substance use disorder with respect to a classifica-
33 tion, the insurer shall not be required to provide benefits for core
34 treatments for such condition or disorder in that classification, but
35 shall provide benefits for such condition or disorder in every classi-
36 fication in which medical or surgical benefits are provided.

37 (5) For the purposes of determining comparability and stringency for
38 nonquantitative treatment limitations, an insurer shall not rely upon
39 discriminatory factors or evidentiary standards to design a nonquantita-
40 tive treatment limitation to be imposed on mental health or substance
41 use disorder benefits. A factor or evidentiary standard is discriminato-
42 ry if the information, evidence, sources, or standards on which the
43 factor or evidentiary standard are based are biased or not objective in
44 a manner that discriminates against mental health or substance use
45 disorder benefits as compared to medical or surgical benefits.

46 (6) A nonquantitative treatment limitation applicable to mental health
47 or substance use disorder benefits in a classification shall not, in
48 operation, be more restrictive than the predominant nonquantitative
49 treatment limitation applied to substantially all medical and surgical
50 benefits in the classification. To test compliance with this paragraph,
51 an insurer shall collect and evaluate relevant data in a manner reason-
52 ably designed to assess the impact of the nonquantitative treatment
53 limitation on relevant outcomes related to access to mental health or
54 substance use disorder benefits and medical and surgical benefits and
55 carefully consider the impact as part of the plan's evaluation. As part
56 of its evaluation, the insurer may not disregard relevant outcomes data

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2 treatment limitation is associated with material differences in access
3 to mental health or substance use disorder benefits as compared to
4 medical and surgical benefits. To the extent the relevant data evaluated
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6 material differences in access to mental health or substance use disorder
7 benefits as compared to medical or surgical benefits in a classification,
8 such differences shall be considered a strong indicator of a
9 noncompliant nonquantitative treatment limitation. Where the relevant
10 data suggest that the nonquantitative treatment limitation contributes
11 to material differences in access to mental health or substance use
12 disorder benefits as compared to medical and surgical benefits in a
13 classification, the insurer shall take reasonable action, as necessary,
14 to address the material differences to ensure compliance, in operation,
15 and shall document the actions that have been or are being taken by the
16 insurer to address material differences in access to mental health or
17 substance use disorder benefits, as compared to medical and surgical
18 benefits.

19 (7) An insurer providing coverage for mental health or substance use
20 disorder benefits shall submit an annual report starting on January
21 first, two thousand twenty-six and annually thereafter, that contains
22 the information described in 29 USC 1185a(a)(8)(A) and 42 USC
23 300gg-26(a)(8)(A). The report required shall be posted on a publicly
24 available website whose web address is prominently displayed in plan
25 informational and marketing materials.

26 (8) If a health care provider, a current or prospective enrollee or an
27 employer requests one or more nonquantitative treatment limitation parity
28 compliance analyses that the insurer is required to have completed
29 pursuant to 29 U.S.C. Sec. 1185a or 42 U.S.C. Sec. 300gg-26, the insurer
30 shall provide the requested analyses free of charge within thirty days.
31 The insurer shall include in each of their health plan policies and
32 mental health and substance use disorder provider contracts a notification
33 of the right to request nonquantitative treatment limitation
34 analyses free of charge. The notification shall include information on
35 how to request the analyses. In addition to any other action authorized
36 under this chapter, failure by an insurer to provide the full requested
37 analyses shall result in a penalty of one hundred dollars per day, which
38 shall be collected by the superintendent and remitted to the requestor.
39 If the request under this paragraph is made in connection with an
40 adverse benefit determination and the insurer fails to provide the
41 required analyses as required by this paragraph, the adverse benefit
42 determination shall be automatically reversed.

43 (9) The superintendent may adopt rules or guidance as necessary to
44 implement and administer the provisions of paragraphs one through seven
45 of this subsection, and such rules or guidance shall have the force of
46 law and shall include:

47 (A) specifying data testing requirements to determine plan design and
48 application parity and nondiscrimination compliance using outcomes data;

49 (B) setting standard definitions; and

50 (C) establishing specific timelines for insurer compliance with the
51 requirements of this subsection, including the effect of an insurer's
52 lack of sufficient comparative analyses or other required information
53 necessary to demonstrate compliance.

54 § 4. This act shall take effect immediately.