

STATE OF NEW YORK

9927

IN SENATE

April 16, 2026

Introduced by Sen. FAHY -- read twice and ordered printed, and when printed to be committed to the Committee on Insurance

AN ACT to amend the insurance law, in relation to requiring the superintendent of financial services to audit certain reports submitted by insurers to ensure such insurers are in full compliance with federal and state mental health and substance use disorder parity requirements

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

1 Section 1. Subsection (a) of section 343 of the insurance law, as
2 added by chapter 207 of the laws of 2019, is amended to read as follows:

3 (a) (i) Beginning July first, two thousand nineteen and every two
4 years thereafter, each insurer providing managed care products, individ-
5 ual comprehensive accident and health insurance or group or blanket
6 comprehensive accident and health insurance, each corporation organized
7 pursuant to article forty-three of this chapter providing comprehensive
8 health insurance and each entity licensed pursuant to article forty-four
9 of the public health law providing comprehensive health service plans
10 shall submit to the superintendent, in a form and manner prescribed by
11 the superintendent, a report detailing the entity's compliance with
12 federal and state mental health and substance use disorder parity laws
13 based on the entity's record during the preceding two calendar years.
14 The superintendent shall publish on the department's website on or
15 before October first, two thousand nineteen, and every two years there-
16 after, the reports submitted pursuant to this section. The superinten-
17 dent shall also publish on the department's website a summary of these
18 reports to assist stakeholders and the general public in reviewing,
19 understanding and evaluating any data compiled as part of the audit
20 process including but not limited to a summary of the data as required
21 by paragraph one of subsection (b) of this section, comparison of the
22 data provided by each insurer providing managed care products, individ-
23 ual comprehensive accident and health insurance or group or blanket
24 comprehensive accident and health insurance, each corporation organized
25 pursuant to article forty-three of this chapter providing comprehensive
26 health insurance and each entity licensed pursuant to article forty-four

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

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1 of the public health law providing comprehensive health service plans
2 for each, overall ranking for each insurer, major findings, any correc-
3 tive actions required to be taken, any fines or penalties levied as a
4 result, and recommendations to enhance compliance with federal and state
5 mental health and substance use disorder parity laws. The department
6 shall provide a copy of the report to the governor, the temporary presi-
7 dent of the senate, the speaker of the assembly, and members of the
8 legislature.

9 (ii) The superintendent shall audit each report submitted pursuant to
10 this section. Such audit shall include, but not be limited to, an exam-
11 ination of each such report submitted by the insurer for the purpose of
12 determining if such insurer is in full compliance with federal and state
13 mental health and substance use disorder parity requirements. In addi-
14 tion, the superintendent shall investigate all credible allegations of
15 insurer improprieties and noncompliance. Where the superintendent makes
16 a determination that an insurer has willfully violated federal or state
17 mental health and substance use disorder parity requirements, the super-
18 intendent shall provide such findings, including the reason or reasons
19 for making such determination, to the office of the attorney general.
20 The attorney general shall consider the superintendent's findings and,
21 upon agreement with the superintendent's determination, shall commence
22 an action in the name of the people of the state to enforce an insurer's
23 required compliance with federal and state mental health and substance
24 use disorder parity requirements.

25 § 2. This act shall take effect immediately.