

5063

2015-2016 Regular Sessions

I N   A S S E M B L Y

February 11, 2015

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Introduced by M. of A. HEVESI -- read once and referred to the Committee  
on Insurance

AN ACT to amend the insurance law, in relation to requiring three days'  
notice before terminating coverage for the diagnosis and treatment of  
substance use disorders

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEM-  
BLY, DO ENACT AS FOLLOWS:

1     Section 1. Paragraph 30 of subsection (i) of section 3216 of the  
2 insurance law, as added by chapter 41 of the laws of 2014, is amended by  
3 adding a new subparagraph (D) to read as follows:  
4     (D) IN THE EVENT THE INSURER TERMINATES COVERAGE FOR THE DIAGNOSIS AND  
5 TREATMENT OF SUBSTANCE USE DISORDER, INCLUDING DETOXIFICATION AND REHA-  
6 BILITATION SERVICES, FOR AN INSURED PERSON AUTHORIZED PURSUANT TO THIS  
7 PARAGRAPH, THE INSURER SHALL PROVIDE THE INSURED PERSON THREE DAYS'  
8 NOTICE PRIOR TO THE TERMINATION. SUCH NOTICE SHALL BE DIRECT TO THE  
9 INSURED PERSON AND SHALL NOT BE WRITTEN.  
10     S 2. Paragraph 31 of subsection (i) of section 3216 of the insurance  
11 law is amended by adding a new subparagraph (E) to read as follows:  
12     (E) IN THE EVENT THE INSURER TERMINATES COVERAGE FOR THE DIAGNOSIS AND  
13 TREATMENT OF SUBSTANCE USE DISORDER, INCLUDING DETOXIFICATION AND REHA-  
14 BILITATION SERVICES, FOR AN INSURED PERSON AUTHORIZED PURSUANT TO THIS  
15 PARAGRAPH, THE INSURER SHALL PROVIDE THE INSURED PERSON THREE DAYS'  
16 NOTICE PRIOR TO THE TERMINATION. SUCH NOTICE SHALL BE DIRECT TO THE  
17 INSURED PERSON AND SHALL NOT BE WRITTEN.  
18     S 3. Paragraph 6 of subsection (l) of section 3221 of the insurance  
19 law is amended by adding a new subparagraph (D) to read as follows:  
20     (D) IN THE EVENT THE INSURER TERMINATES COVERAGE FOR THE DIAGNOSIS AND  
21 TREATMENT OF SUBSTANCE USE DISORDER, INCLUDING DETOXIFICATION AND REHA-  
22 BILITATION SERVICES, FOR AN INSURED PERSON AUTHORIZED PURSUANT TO THIS  
23 PARAGRAPH, THE INSURER SHALL PROVIDE THE INSURED PERSON THREE DAYS'

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

LBD08253-01-5

1 NOTICE PRIOR TO THE TERMINATION. SUCH NOTICE SHALL BE DIRECT TO THE  
2 INSURED PERSON AND SHALL NOT BE WRITTEN.

3 S 4. Paragraph 7 of subsection (l) of section 3221 of the insurance  
4 law is amended by adding a new subparagraph (E) to read as follows:

5 (E) IN THE EVENT THE INSURER TERMINATES COVERAGE FOR THE DIAGNOSIS AND  
6 TREATMENT OF SUBSTANCE USE DISORDER, INCLUDING DETOXIFICATION AND REHA-  
7 BILITATION SERVICES, FOR AN INSURED PERSON AUTHORIZED PURSUANT TO THIS  
8 PARAGRAPH, THE INSURER SHALL PROVIDE THE INSURED PERSON THREE DAYS'  
9 NOTICE PRIOR TO THE TERMINATION. SUCH NOTICE SHALL BE DIRECT TO THE  
10 INSURED PERSON AND SHALL NOT BE WRITTEN.

11 S 5. Subsection (k) of section 4303 of the insurance law is amended by  
12 adding a new paragraph 4 to read as follows:

13 (4) IN THE EVENT THE INSURER TERMINATES COVERAGE FOR THE DIAGNOSIS AND  
14 TREATMENT OF SUBSTANCE USE DISORDER, INCLUDING DETOXIFICATION AND REHA-  
15 BILITATION SERVICES, FOR AN INSURED PERSON AUTHORIZED PURSUANT TO THIS  
16 SUBSECTION, THE INSURER SHALL PROVIDE THE INSURED PERSON THREE DAYS'  
17 NOTICE PRIOR TO THE TERMINATION. SUCH NOTICE SHALL BE DIRECT TO THE  
18 INSURED PERSON AND SHALL NOT BE WRITTEN.

19 S 6. Subsection (l) of section 4303 of the insurance law is amended by  
20 adding a new paragraph 5 to read as follows:

21 (5) IN THE EVENT THE INSURER TERMINATES COVERAGE FOR THE DIAGNOSIS AND  
22 TREATMENT OF SUBSTANCE USE DISORDER, INCLUDING DETOXIFICATION AND REHA-  
23 BILITATION SERVICES, FOR AN INSURED PERSON AUTHORIZED PURSUANT TO THIS  
24 SUBSECTION, THE INSURER SHALL PROVIDE THE INSURED PERSON THREE DAYS  
25 NOTICE PRIOR TO THE TERMINATION. SUCH NOTICE SHALL BE DIRECT TO THE  
26 INSURED PERSON AND SHALL NOT BE WRITTEN.

27 S 7. This act shall take effect on the same date and in the same  
28 manner as chapter 41 of the laws of 2014, takes effect.