# STATE OF NEW YORK

5242

2023-2024 Regular Sessions

# IN SENATE

February 28, 2023

Introduced by Sen. BRESLIN -- 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 prohibiting insurers from reducing disability benefits unless certain conditions are met

**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 two new subsections (n) and (o) to read as follows:

**(n) No policy or certificate of accident and health insurance providing disability benefits delivered or issued for delivery to any person in this state shall contain any provision authorizing an insurer to offset or reduce benefits due to the actual or anticipated receipt of social security disability benefits or other disability benefits, unless such policy or certificate notifies the insured that the insured may qualify for such benefits, and to pursue such benefits through any required administrative appeals.**

**(o) No insurer may offset or reduce benefits payable under a policy of accident and health insurance providing disability insurance due to the actual or estimated receipt of social security disability insurance benefits unless:**

**(1) the insurer has a reasonable, good faith belief that the insured is entitled to such benefits and a means of reasonably estimating the amount payable;**

**(2) the insurer makes a good faith effort to assist the insured in applying for such benefits; and**

**(3) the insured fails to apply for, or pursue, such benefits with reasonable diligence during the application process or any required appeals.**

§ 2. This act shall take effect immediately.

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

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