# STATE OF NEW YORK

9702

# IN SENATE

May 22, 2024

Introduced by Sen. ADDABBO -- 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 the retrospective denial of payment for substance use disorder treatment services

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

Section 1. The insurance law is amended by adding a new section 3246 to read as follows:

**§ 3246. Retrospective denial of payment of substance use disorder treatment services. Notwithstanding any other provision of law, any retrospective denial of payment of substance use disorder treatment services provided that are based on the insured individual's eligibility shall be prohibited after the provider has verified with the insurer that the insured has coverage for such treatment at the time such treatment was initiated. The insurer shall immediately notify the treatment provider when an insured has lost coverage based on termination of the insured's employment and provided, further, that denial of coverage shall be based on termination of employment and shall not be based on suspension of employment. Failure of the insurer to immediately notify the treatment provider of such termination of employment shall preclude any retrospective review based on the insured's eligibility. This section shall be applicable to the New York state health insurance program.**

§ 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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