

# STATE OF NEW YORK

2644

2025-2026 Regular Sessions

## IN SENATE

January 22, 2025

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:

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

3 § 3246. Retrospective denial of payment of substance use disorder  
4 treatment services. Notwithstanding any other provision of law, any  
5 retrospective denial of payment of substance use disorder treatment  
6 services provided that are based on the insured individual's eligibility  
7 shall be prohibited after the provider has verified with the insurer  
8 that the insured has coverage for such treatment at the time such treat-  
9 ment was initiated. The insurer shall immediately notify the treatment  
10 provider when an insured has lost coverage based on termination of the  
11 insured's employment and provided, further, that denial of coverage  
12 shall be based on termination of employment and shall not be based on  
13 suspension of employment. Failure of the insurer to immediately notify  
14 the treatment provider of such termination of employment shall preclude  
15 any retrospective review based on the insured's eligibility. This  
16 section shall be applicable to the New York state health insurance  
17 program.

18 § 2. This act shall take effect immediately.

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

LBD07028-01-5