STATE OF NEW YORK

6897--A

2025-2026 Regular Sessions

IN SENATE

March 26, 2025

Introduced by Sen. BAILEY -- read twice and ordered printed, and when printed to be committed to the Committee on Insurance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the insurance law, in relation to requiring rates paid for rehabilitation and opioid treatment be pursuant to certain fee schedules published by the office of addiction services and supports

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

Section 1. Subparagraph (J) of paragraph 31 of subsection (i) of section 3216 of the insurance law, as added by section 1 of part AA of chapter 57 of the laws of 2024, is amended to read as follows:

(J) This subparagraph shall apply to facilities in this state that are licensed, certified, or otherwise authorized by the office of addiction services and supports for the provision of outpatient, intensive outpatient, outpatient rehabilitation and opioid treatment that are participating in the insurer's provider network. Reimbursement for covered outpatient treatment provided by such facilities shall be at rates negotiated between the insurer and the participating facility, provided that such rates are not less than the rates that would be paid for such treatment pursuant to the medical assistance program under title eleven of article five of the social services law. For the purposes of this subparagraph, the rates that would be paid for such treatment pursuant to the medical assistance program under title eleven of article five of the social services law **shall be set forth in a fee schedule setting forth the specific fee for each individual service covered by this subparagraph published by the office of addiction services and supports by November first of the preceding calendar year and** shall be the rates with an effective date of April first of the preceding year, which shall be established prior to October first of the preceding calendar year. Prior to the submission of premium rate filings and applications, the

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

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superintendent shall provide insurers with guidance on factors to consider in calculating the impact of rate changes for the purposes of submitting premium rate filings and applications to the superintendent for the subsequent policy year. To the extent that the rates with an effective date of April first differ from the estimated rates incorporated in premium rate filings and applications, insurers may account for such differences in future premium rate filings and applications submitted to the superintendent for approval.

§ 2. Subparagraph (K) of paragraph 35 of subsection (i) of section 3216 of the insurance law, as added by section 2 of part AA of chapter 57 of the laws of 2024, is amended to read as follows:

(K) This subparagraph shall apply to outpatient treatment provided in a facility issued an operating certificate by the commissioner of mental health pursuant to the provisions of article thirty-one of the mental hygiene law, or in a facility operated by the office of mental health, or in a crisis stabilization center licensed pursuant to section 36.01 of the mental hygiene law, that is participating in the insurer's provider network. Reimbursement for covered outpatient treatment provided by such a facility shall be at rates negotiated between the insurer and the participating facility, provided that such rates are not less than the rates that would be paid for such treatment pursuant to the medical assistance program under title eleven of article five of the social services law. For the purposes of this subparagraph, the rates that would be paid for such treatment pursuant to the medical assistance program under title eleven of article five of the social services law **shall be set forth in a fee schedule setting forth the specific fee for each individual service covered by this subparagraph published by the office of mental health by November first of the preceding calendar year and** shall be the rates with an effective date of April first of the preceding year, which shall be established prior to October first of the preceding calendar year. Prior to the submission of premium rate filings and applications, the superintendent shall provide insurers with guidance on factors to consider in calculating the impact of rate changes for the purposes of submitting premium rate filings and applications to the superintendent for the subsequent policy year. To the extent that the rates with an effective date of April first differ from the estimated rates incorporated in premium rate filings and applications, insurers may account for such differences in future premium rate filings and applications submitted to the superintendent for approval.

§ 3. Subparagraph (K) of paragraph 5 of subsection (l) of section 3221 of the insurance law, as added by section 3 of part AA of chapter 57 of the laws of 2024, is amended to read as follows:

(K) This subparagraph shall apply to outpatient treatment provided in a facility issued an operating certificate by the commissioner of mental health pursuant to the provisions of article thirty-one of the mental hygiene law, or in a facility operated by the office of mental health, or in a crisis stabilization center licensed pursuant to section 36.01 of the mental hygiene law, that is participating in the insurer's provider network. Reimbursement for covered outpatient treatment provided by such a facility shall be at rates negotiated between the insurer and the participating facility, provided that such rates are not less than the rates that would be paid for such treatment pursuant to the medical assistance program under title eleven of article five of the social services law. For the purposes of this subparagraph, the rates that would be paid for such treatment pursuant to the medical assistance program under title eleven of article five of the social services law

shall be set forth in a fee schedule setting forth the specific fee for each individual service covered by this subparagraph published by the office of mental health by November first of the preceding calendar year and shall be the rates with an effective date of April first of the preceding year, which shall be established prior to October first of the preceding calendar year. Prior to the submission of premium rate filings and applications, the superintendent shall provide insurers with guidance on factors to consider in calculating the impact of rate changes for the purposes of submitting premium rate filings and applications to the superintendent for the subsequent policy year. To the extent that the rates with an effective date of April first differ from the estimated rates incorporated in premium rate filings and applications, insurers may account for such differences in future premium rate filings and applications submitted to the superintendent for approval.

§ 4. Subparagraph (J) of paragraph 7 of subsection (l) of section 3221 of the insurance law, as added by section 4 of part AA of chapter 57 of the laws of 2024, is amended to read as follows:

(J) This subparagraph shall apply to facilities in this state that are licensed, certified, or otherwise authorized by the office of addiction services and supports for the provision of outpatient, intensive outpatient, outpatient rehabilitation and opioid treatment that are participating in the insurer's provider network. Reimbursement for covered outpatient treatment provided by such facilities shall be at rates negotiated between the insurer and the participating facility, provided that such rates are not less than the rates that would be paid for such treatment pursuant to the medical assistance program under title eleven of article five of the social services law. For the purposes of this subparagraph, the rates that would be paid for such treatment pursuant to the medical assistance program under title eleven of article five of the social services law **shall be set forth in a fee schedule setting forth the specific fee for each individual service covered by this subparagraph published by the office of addiction services and supports by November first of the preceding calendar year and** shall be the rates with an effective date of April first of the preceding year, which shall be established prior to October first of the preceding calendar year. Prior to the submission of premium rate filings and applications, the superintendent shall provide insurers with guidance on factors to consider in calculating the impact of rate changes for the purposes of submitting premium rate filings and applications to the superintendent for the subsequent policy year. To the extent that the rates with an effective date of April first differ from the estimated rates incorporated in premium rate filings and applications, insurers may account for such differences in future premium rate filings and applications submitted to the superintendent for approval.

§ 5. Paragraph 12 of subsection (g) of section 4303 of the insurance law, as added by section 5 of part AA of chapter 57 of the laws of 2024, is amended to read as follows:

(12) This paragraph shall apply to outpatient treatment provided in a facility issued an operating certificate by the commissioner of mental health pursuant to the provisions of article thirty-one of the mental hygiene law, or in a facility operated by the office of mental health, or in a crisis stabilization center licensed pursuant to section 36.01 of the mental hygiene law, that is participating in the corporation's provider network. Reimbursement for covered outpatient treatment provided by such facility shall be at rates negotiated between the corporation and the participating facility, provided that such rates are

not less than the rates that would be paid for such treatment pursuant to the medical assistance program under title eleven of article five of the social services law. For the purposes of this paragraph, the rates that would be paid for such treatment pursuant to the medical assistance program under title eleven of article five of the social services law **shall be set forth in a fee schedule setting forth the specific fee for each individual service covered by this paragraph published by the office of mental health by November first of the preceding calendar year and** shall be the rates with an effective date of April first of the preceding year, which shall be established prior to October first of the preceding calendar year. Prior to the submission of premium rate filings and applications, the superintendent shall provide corporations with guidance on factors to consider in calculating the impact of rate changes for the purposes of submitting premium rate filings and applications to the superintendent for the subsequent policy year. To the extent that the rates with an effective date of April first differ from the estimated rates incorporated in premium rate filings and applications, corporations may account for such differences in future premium rate filings and applications submitted to the superintendent for approval.

§ 6. Paragraph 10 of subsection (l) of section 4303 of the insurance law, as added by section 6 of part AA of chapter 57 of the laws of 2024, is amended to read as follows:

(10) This paragraph shall apply to facilities in this state that are licensed, certified, or otherwise authorized by the office of addiction services and supports for the provision of outpatient, intensive outpatient, outpatient rehabilitation and opioid treatment that are participating in the corporation's provider network. Reimbursement for covered outpatient treatment provided by such facilities shall be at rates negotiated between the corporation and the participating facility, provided that such rates are not less than the rates that would be paid for such treatment pursuant to the medical assistance program under title eleven of article five of the social services law. For the purposes of this paragraph, the rates that would be paid for such treatment pursuant to the medical assistance program under title eleven of article five of the social services law **shall be set forth in a fee schedule setting forth the specific fee for each individual service covered by this paragraph published by the office of addiction services and supports by November first of the preceding calendar year and** shall be the rates with an effective date of April first of the preceding year, which shall be established prior to October first of the preceding calendar year. Prior to the submission of premium rate filings and applications, the superintendent shall provide corporations with guidance on factors to consider in calculating the impact of rate changes for the purposes of submitting premium rate filings and applications to the superintendent for the subsequent policy year. To the extent that the rates with an effective date of April first differ from the estimated rates incorporated in premium rate filings and applications, corporations may account for such differences in future premium rate filings and applications submitted to the superintendent for approval.

§ 7. This act shall take effect immediately and shall apply to all policies and contracts issued, renewed, modified, altered, or amended on or after such date.