

STATE OF NEW YORK

8800

IN SENATE

January 8, 2026

Introduced by Sen. BAILEY -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the insurance law, in relation to the calculation of rates for certain treatment pursuant to the medical assistance program; and to amend a chapter of the laws of 2025 amending the insurance law relating to requiring rates paid for rehabilitation and opioid treatment be pursuant to certain fee schedules published by the office of addiction services and supports, as proposed in legislative bills numbers S. 6897-A and A. 7038-A, in relation to the effectiveness thereof

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

1 Section 1. Subparagraph (J) of paragraph 31 of subsection (i) of
2 section 3216 of the insurance law, as amended by a chapter of the laws
3 of 2025 amending the insurance law relating to requiring rates paid for
4 rehabilitation and opioid treatment be pursuant to certain fee schedules
5 published by the office of addiction services and supports, as proposed
6 in legislative bills numbers S. 6897-A and A. 7038-A, is amended to read
7 as follows:

8 (J) (i) This [~~subparagraph~~] clause shall apply to facilities in this
9 state that are licensed, certified, or otherwise authorized by the
10 office of addiction services and supports for the provision of outpa-
11 tient, intensive outpatient, outpatient rehabilitation and opioid treat-
12 ment that are participating in the insurer's provider network.
13 Reimbursement for covered outpatient treatment provided by such facili-
14 ties shall be at rates negotiated between the insurer and the partic-
15 ipating facility, provided that such rates are not less than the rates
16 that would be paid for such treatment pursuant to the medical assistance
17 program under title eleven of article five of the social services law.
18 For the purposes of this [~~subparagraph~~] clause, the rates that would be
19 paid for such treatment pursuant to the medical assistance program under
20 title eleven of article five of the social services law [~~shall be set~~
21 ~~forth in a fee schedule setting forth the specific fee for each individ-~~
22 ~~ual service covered by this subparagraph published by the office of~~

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

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1 ~~addiction services and supports by November first of the preceding~~
2 ~~calendar year and~~] shall be the rates with an effective date of April
3 first of the preceding year, which shall be established prior to October
4 first of the preceding calendar year.

5 (ii) The office of addiction services and supports shall publish
6 information adequate to calculate the rates that would be paid for such
7 treatment pursuant to the medical assistance program under title eleven
8 of article five of the social services law. Such information shall be
9 provided in a form and manner to be determined by the commissioner of
10 addiction services and supports. Nothing in this clause shall be
11 construed to relieve an insurer of the obligation to reimburse at no
12 less than the applicable minimum rate set forth in clause (i) of this
13 subparagraph. Prior to the submission of premium rate filings and appli-
14 cations, the superintendent shall provide insurers with guidance on
15 factors to consider in calculating the impact of rate changes for the
16 purposes of submitting premium rate filings and applications to the
17 superintendent for the subsequent policy year. To the extent that the
18 rates with an effective date of April first differ from the estimated
19 rates incorporated in premium rate filings and applications, insurers
20 may account for such differences in future premium rate filings and
21 applications submitted to the superintendent for approval.

22 § 2. Subparagraph (K) of paragraph 35 of subsection (i) of section
23 3216 of the insurance law, as amended by a chapter of the laws of 2025
24 amending the insurance law relating to requiring rates paid for rehabil-
25 itation and opioid treatment be pursuant to certain fee schedules
26 published by the office of addiction services and supports, as proposed
27 in legislative bills numbers S. 6897-A and A. 7038-A, is amended to read
28 as follows:

29 (K) (i) This [~~subparagraph~~] clause shall apply to outpatient treatment
30 provided in a facility issued an operating certificate by the commis-
31 sioner of mental health pursuant to the provisions of article thirty-one
32 of the mental hygiene law, or in a facility operated by the office of
33 mental health, or in a crisis stabilization center licensed pursuant to
34 section 36.01 of the mental hygiene law, that is participating in the
35 insurer's provider network. Reimbursement for covered outpatient treat-
36 ment provided by such a facility shall be at rates negotiated between
37 the insurer and the participating facility, provided that such rates are
38 not less than the rates that would be paid for such treatment pursuant
39 to the medical assistance program under title eleven of article five of
40 the social services law. For the purposes of this [~~subparagraph~~] clause,
41 the rates that would be paid for such treatment pursuant to the medical
42 assistance program under title eleven of article five of the social
43 services law [~~shall be set forth in a fee schedule setting forth the~~
44 ~~specific fee for each individual service covered by this subparagraph~~
45 ~~published by the office of mental health by November first of the~~
46 ~~preceding calendar year and~~] shall be the rates with an effective date
47 of April first of the preceding year, which shall be established prior
48 to October first of the preceding calendar year.

49 (ii) The office of mental health shall publish information adequate to
50 calculate the rates that would be paid for such treatment pursuant to
51 the medical assistance program under title eleven of article five of the
52 social services law. Such information shall be provided in a form and
53 manner to be determined by the commissioner of mental health. Nothing in
54 this clause shall be construed to relieve an insurer of the obligation
55 to reimburse at no less than the applicable minimum rate set forth in
56 clause (i) of this subparagraph. Prior to the submission of premium rate

1 filings and applications, the superintendent shall provide insurers with
2 guidance on factors to consider in calculating the impact of rate chang-
3 es for the purposes of submitting premium rate filings and applications
4 to the superintendent for the subsequent policy year. To the extent that
5 the rates with an effective date of April first differ from the esti-
6 mated rates incorporated in premium rate filings and applications,
7 insurers may account for such differences in future premium rate filings
8 and applications submitted to the superintendent for approval.

9 § 3. Subparagraph (K) of paragraph 5 of subsection (1) of section 3221
10 of the insurance law, as amended by a chapter of the laws of 2025 amend-
11 ing the insurance law relating to requiring rates paid for rehabili-
12 tation and opioid treatment be pursuant to certain fee schedules
13 published by the office of addiction services and supports, as proposed
14 in legislative bills numbers S. 6897-A and A. 7038-A, is amended to read
15 as follows:

16 (K) (i) This [~~subparagraph~~] clause shall apply to outpatient treatment
17 provided in a facility issued an operating certificate by the commis-
18 sioner of mental health pursuant to the provisions of article thirty-one
19 of the mental hygiene law, or in a facility operated by the office of
20 mental health, or in a crisis stabilization center licensed pursuant to
21 section 36.01 of the mental hygiene law, that is participating in the
22 insurer's provider network. Reimbursement for covered outpatient treat-
23 ment provided by such a facility shall be at rates negotiated between
24 the insurer and the participating facility, provided that such rates are
25 not less than the rates that would be paid for such treatment pursuant
26 to the medical assistance program under title eleven of article five of
27 the social services law. For the purposes of this [~~subparagraph~~] clause,
28 the rates that would be paid for such treatment pursuant to the medical
29 assistance program under title eleven of article five of the social
30 services law [~~shall be set forth in a fee schedule setting forth the~~
31 ~~specific fee for each individual service covered by this subparagraph~~
32 ~~published by the office of mental health by November first of the~~
33 ~~preceding calendar year and~~] shall be the rates with an effective date
34 of April first of the preceding year, which shall be established prior
35 to October first of the preceding calendar year.

36 (ii) The office of mental health shall publish information adequate to
37 calculate the rates that would be paid for such treatment pursuant to
38 the medical assistance program under title eleven of article five of the
39 social services law. Such information shall be provided in a form and
40 manner to be determined by the commissioner of mental health. Nothing in
41 this clause shall be construed to relieve an insurer of the obligation
42 to reimburse at no less than the applicable minimum rate set forth in
43 clause (i) of this subparagraph. Prior to the submission of premium rate
44 filings and applications, the superintendent shall provide insurers with
45 guidance on factors to consider in calculating the impact of rate chang-
46 es for the purposes of submitting premium rate filings and applications
47 to the superintendent for the subsequent policy year. To the extent that
48 the rates with an effective date of April first differ from the esti-
49 mated rates incorporated in premium rate filings and applications,
50 insurers may account for such differences in future premium rate filings
51 and applications submitted to the superintendent for approval.

52 § 4. Subparagraph (J) of paragraph 7 of subsection (1) of section 3221
53 of the insurance law, as amended by a chapter of the laws of 2025 amend-
54 ing the insurance law relating to requiring rates paid for rehabili-
55 tation and opioid treatment be pursuant to certain fee schedules
56 published by the office of addiction services and supports, as proposed

1 in legislative bills numbers S. 6897-A and A. 7038-A, is amended to read
2 as follows:

3 (J) (i) This [~~subparagraph~~] clause shall apply to facilities in this
4 state that are licensed, certified, or otherwise authorized by the
5 office of addiction services and supports for the provision of outpa-
6 tient, intensive outpatient, outpatient rehabilitation and opioid treat-
7 ment that are participating in the insurer's provider network.
8 Reimbursement for covered outpatient treatment provided by such facili-
9 ties shall be at rates negotiated between the insurer and the partic-
10 ipating facility, provided that such rates are not less than the rates
11 that would be paid for such treatment pursuant to the medical assistance
12 program under title eleven of article five of the social services law.
13 For the purposes of this [~~subparagraph~~] clause, the rates that would be
14 paid for such treatment pursuant to the medical assistance program under
15 title eleven of article five of the social services law [~~shall be set
16 forth in a fee schedule setting forth the specific fee for each individ-
17 ual service covered by this subparagraph published by the office of
18 addiction services and supports by November first of the preceding
19 calendar year and~~] shall be the rates with an effective date of April
20 first of the preceding year, which shall be established prior to October
21 first of the preceding calendar year.

22 (ii) The office of addiction services and supports shall publish
23 information adequate to calculate the rates that would be paid for such
24 treatment pursuant to the medical assistance program under title eleven
25 of article five of the social services law. Such information shall be
26 provided in a form and manner to be determined by the commissioner of
27 addiction services and supports. Nothing in this clause shall be
28 construed to relieve an insurer of the obligation to reimburse at no
29 less than the applicable minimum rate set forth in clause (i) of this
30 subparagraph. Prior to the submission of premium rate filings and appli-
31 cations, the superintendent shall provide insurers with guidance on
32 factors to consider in calculating the impact of rate changes for the
33 purposes of submitting premium rate filings and applications to the
34 superintendent for the subsequent policy year. To the extent that the
35 rates with an effective date of April first differ from the estimated
36 rates incorporated in premium rate filings and applications, insurers
37 may account for such differences in future premium rate filings and
38 applications submitted to the superintendent for approval.

39 § 5. Paragraph 12 of subsection (g) of section 4303 of the insurance
40 law, as amended by a chapter of the laws of 2025 amending the insurance
41 law relating to requiring rates paid for rehabilitation and opioid
42 treatment be pursuant to certain fee schedules published by the office
43 of addiction services and supports, as proposed in legislative bills
44 numbers S. 6897-A and A. 7038-A, is amended to read as follows:

45 (12) (A) This [~~paragraph~~] subparagraph shall apply to outpatient
46 treatment provided in a facility issued an operating certificate by the
47 commissioner of mental health pursuant to the provisions of article
48 thirty-one of the mental hygiene law, or in a facility operated by the
49 office of mental health, or in a crisis stabilization center licensed
50 pursuant to section 36.01 of the mental hygiene law, that is participat-
51 ing in the corporation's provider network. Reimbursement for covered
52 outpatient treatment provided by such facility shall be at rates negoti-
53 ated between the corporation and the participating facility, provided
54 that such rates are not less than the rates that would be paid for such
55 treatment pursuant to the medical assistance program under title eleven
56 of article five of the social services law. For the purposes of this

1 [~~paragraph~~] subparagraph, the rates that would be paid for such treat-
2 ment pursuant to the medical assistance program under title eleven of
3 article five of the social services law [~~shall be set forth in a fee~~
4 ~~schedule setting forth the specific fee for each individual service~~
5 ~~covered by this paragraph published by the office of mental health by~~
6 ~~November first of the preceding calendar year and~~] shall be the rates
7 with an effective date of April first of the preceding year, which shall
8 be established prior to October first of the preceding calendar year.

9 (B) The office of mental health shall publish information adequate to
10 calculate the rates that would be paid for such treatment pursuant to
11 the medical assistance program under title eleven of article five of the
12 social services law. Such information shall be provided in a form and
13 manner to be determined by the commissioner of mental health. Nothing in
14 this subparagraph shall be construed to relieve an insurer of the obli-
15 gation to reimburse at no less than the applicable minimum rate set
16 forth in subparagraph (A) of this paragraph. Prior to the submission of
17 premium rate filings and applications, the superintendent shall provide
18 corporations with guidance on factors to consider in calculating the
19 impact of rate changes for the purposes of submitting premium rate
20 filings and applications to the superintendent for the subsequent policy
21 year. To the extent that the rates with an effective date of April first
22 differ from the estimated rates incorporated in premium rate filings and
23 applications, corporations may account for such differences in future
24 premium rate filings and applications submitted to the superintendent
25 for approval.

26 § 6. Paragraph 10 of subsection (1) of section 4303 of the insurance
27 law, as amended by a chapter of the laws of 2025 amending the insurance
28 law relating to requiring rates paid for rehabilitation and opioid
29 treatment be pursuant to certain fee schedules published by the office
30 of addiction services and supports, as proposed in legislative bills
31 numbers S. 6897-A and A. 7038-A, is amended to read as follows:

32 (10) (A) This [~~paragraph~~] subparagraph shall apply to facilities in
33 this state that are licensed, certified, or otherwise authorized by the
34 office of addiction services and supports for the provision of outpa-
35 tient, intensive outpatient, outpatient rehabilitation and opioid treat-
36 ment that are participating in the corporation's provider network.
37 Reimbursement for covered outpatient treatment provided by such facili-
38 ties shall be at rates negotiated between the corporation and the
39 participating facility, provided that such rates are not less than the
40 rates that would be paid for such treatment pursuant to the medical
41 assistance program under title eleven of article five of the social
42 services law. For the purposes of this [~~paragraph~~] subparagraph, the
43 rates that would be paid for such treatment pursuant to the medical
44 assistance program under title eleven of article five of the social
45 services law [~~shall be set forth in a fee schedule setting forth the~~
46 ~~specific fee for each individual service covered by this paragraph~~
47 ~~published by the office of addiction services and supports by November~~
48 ~~first of the preceding calendar year and~~] shall be the rates with an
49 effective date of April first of the preceding year, which shall be
50 established prior to October first of the preceding calendar year.

51 (B) The office of addiction services and supports shall publish infor-
52 mation adequate to calculate the rates that would be paid for such
53 treatment pursuant to the medical assistance program under title eleven
54 of article five of the social services law. Such information shall be
55 provided in a form and manner to be determined by the commissioner of
56 addiction services and supports. Nothing in this subparagraph shall be

1 construed to relieve an insurer of the obligation to reimburse at no
2 less than the applicable minimum rate set forth in subparagraph (A) of
3 this paragraph. Prior to the submission of premium rate filings and
4 applications, the superintendent shall provide corporations with guid-
5 ance on factors to consider in calculating the impact of rate changes
6 for the purposes of submitting premium rate filings and applications to
7 the superintendent for the subsequent policy year. To the extent that
8 the rates with an effective date of April first differ from the esti-
9 mated rates incorporated in premium rate filings and applications,
10 corporations may account for such differences in future premium rate
11 filings and applications submitted to the superintendent for approval.

12 § 7. Section 7 of a chapter of the laws of 2025 amending the insurance
13 law relating to requiring rates paid for rehabilitation and opioid
14 treatment be pursuant to certain fee schedules published by the office
15 of addiction services and supports, as proposed in legislative bills
16 numbers S. 6897-A and A. 7038-A, is amended to read as follows:

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

20 § 8. This act shall take effect immediately; provided, however, that
21 sections one, two, three, four, five and six of this act shall take
22 effect on the same date and in the same manner as a chapter of the laws
23 of 2025 amending the insurance law relating to requiring rates paid for
24 rehabilitation and opioid treatment be pursuant to certain fee schedules
25 published by the office of addiction services and supports, as proposed
26 in legislative bills numbers S. 6897-A and A. 7038-A, takes effect.