

# STATE OF NEW YORK

1430

2025-2026 Regular Sessions

## IN SENATE

January 9, 2025

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

AN ACT to amend the insurance law and the social services law, in relation to requiring insurance and Medicaid coverage for inpatient and outpatient substance abuse treatment for a period of not less than forty-five days

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

1 Section 1. Subparagraph (A) of paragraph 30 of subsection (i) of  
2 section 3216 of the insurance law, as amended by section 5 of subpart A  
3 of part BB of chapter 57 of the laws of 2019, is amended to read as  
4 follows:

5 (A) Every policy that provides hospital, major medical or similar  
6 comprehensive coverage shall provide inpatient coverage for the diagno-  
7 sis and treatment of substance use disorder, including detoxification  
8 and rehabilitation services, for a period of not less than forty-five  
9 days. Such inpatient coverage shall include unlimited medically neces-  
10 sary treatment for substance use disorder treatment services provided in  
11 residential settings. Further, such inpatient coverage shall not apply  
12 financial requirements or treatment limitations, including utilization  
13 review requirements, to inpatient substance use disorder benefits that  
14 are more restrictive than the predominant financial requirements and  
15 treatment limitations applied to substantially all medical and surgical  
16 benefits covered by the policy.

17 § 2. Subparagraph (A) of paragraph 31 of subsection (i) of section  
18 3216 of the insurance law, as amended by section 6 of subpart A of part  
19 BB of chapter 57 of the laws of 2019, is amended to read as follows:

20 (A) Every policy that provides medical, major medical or similar  
21 comprehensive-type coverage shall provide outpatient coverage for the  
22 diagnosis and treatment of substance use disorder, including detoxifica-  
23 tion and rehabilitation services, for a period of not less than forty-

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

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1 five days. Such coverage shall not apply financial requirements or  
2 treatment limitations to outpatient substance use disorder benefits that  
3 are more restrictive than the predominant financial requirements and  
4 treatment limitations applied to substantially all medical and surgical  
5 benefits covered by the policy.

6 § 3. Subparagraph (A) of paragraph 6 of subsection (1) of section 3221  
7 of the insurance law, as amended by section 15 of subpart A of part BB  
8 of chapter 57 of the laws of 2019, is amended to read as follows:

9 (A) Every policy that provides hospital, major medical or similar  
10 comprehensive coverage shall provide inpatient coverage for the diagno-  
11 sis and treatment of substance use disorder, including detoxification  
12 and rehabilitation services, for a period of not less than forty-five  
13 days. Such inpatient coverage shall include unlimited medically neces-  
14 sary treatment for substance use disorder treatment services provided in  
15 residential settings. Further, such inpatient coverage shall not apply  
16 financial requirements or treatment limitations, including utilization  
17 review requirements, to inpatient substance use disorder benefits that  
18 are more restrictive than the predominant financial requirements and  
19 treatment limitations applied to substantially all medical and surgical  
20 benefits covered by the policy.

21 § 4. Subparagraph (A) of paragraph 7 of subsection (1) of section 3221  
22 of the insurance law, as amended by section 16 of subpart A of part BB  
23 of chapter 57 of the laws of 2019, is amended to read as follows:

24 (A) Every policy that provides medical, major medical or similar  
25 comprehensive-type coverage shall provide outpatient coverage for the  
26 diagnosis and treatment of substance use disorder, including detoxifica-  
27 tion and rehabilitation services, for a period of not less than forty-  
28 five days. Such coverage shall not apply financial requirements or  
29 treatment limitations to outpatient substance use disorder benefits that  
30 are more restrictive than the predominant financial requirements and  
31 treatment limitations applied to substantially all medical and surgical  
32 benefits covered by the policy.

33 § 5. Paragraph 1 of subsection (k) of section 4303 of the insurance  
34 law, as amended by section 26 of subpart A of part BB of chapter 57 of  
35 the laws of 2019, is amended to read as follows:

36 (1) Every contract that provides hospital, major medical or similar  
37 comprehensive coverage shall provide inpatient coverage for the diagno-  
38 sis and treatment of substance use disorder, including detoxification  
39 and rehabilitation services, for a period of not less than forty-five  
40 days. Such inpatient coverage shall include unlimited medically neces-  
41 sary treatment for substance use disorder treatment services provided in  
42 residential settings. Further, such inpatient coverage shall not apply  
43 financial requirements or treatment limitations, including utilization  
44 review requirements, to inpatient substance use disorder benefits that  
45 are more restrictive than the predominant financial requirements and  
46 treatment limitations applied to substantially all medical and surgical  
47 benefits covered by the contract.

48 § 6. Paragraph 1 of subsection (l) of section 4303 of the insurance  
49 law, as amended by section 27 of subpart A of part BB of chapter 57 of  
50 the laws of 2019, is amended to read as follows:

51 (1) Every contract that provides medical, major medical or similar  
52 comprehensive-type coverage shall provide outpatient coverage for the  
53 diagnosis and treatment of substance use disorder, including detoxifica-  
54 tion and rehabilitation services, for a period of not less than forty-  
55 five days. Such coverage shall not apply financial requirements or  
56 treatment limitations to outpatient substance use disorder benefits that

1 are more restrictive than the predominant financial requirements and  
2 treatment limitations applied to substantially all medical and surgical  
3 benefits covered by the contract.

4 § 7. Paragraph (c) of subdivision 2 of section 365-a of the social  
5 services law, as amended by section 12-a of part C of chapter 60 of the  
6 laws of 2014, is amended to read as follows:

7 (c) out-patient hospital or clinic services in facilities operated in  
8 compliance with applicable provisions of this chapter, the public health  
9 law, the mental hygiene law and other laws, including any provisions  
10 thereof requiring an operating certificate or license, including facili-  
11 ties authorized by the appropriate licensing authority to provide inte-  
12 grated mental health services, and/or alcoholism and substance abuse  
13 services, and/or physical health services, and/or services to persons  
14 with developmental disabilities, when such services are provided at a  
15 single location or service site, or where such facilities are not  
16 conveniently accessible, in any hospital located within the state and  
17 care and services in a day treatment program operated by the department  
18 of mental hygiene or by a voluntary agency under an agreement with such  
19 department in that part of a public institution operated and approved  
20 pursuant to law as an intermediate care facility for persons with devel-  
21 opmental disabilities; and provided, that alcoholism and substance abuse  
22 services shall be covered for a period of not less than forty-five days;  
23 and provided further, that the commissioners of health, mental health,  
24 alcoholism and substance abuse services and the office for people with  
25 developmental disabilities may issue regulations, including emergency  
26 regulations promulgated prior to October first, two thousand fifteen  
27 that are required to facilitate the establishment of integrated services  
28 clinics. Any such regulations promulgated under this paragraph shall be  
29 described in the annual report required pursuant to section forty-five-c  
30 of part A of chapter fifty-six of the laws of two thousand thirteen;

31 § 8. Paragraph (n) of subdivision 2 of section 365-a of the social  
32 services law, as amended by chapter 558 of the laws of 1999, is amended  
33 to read as follows:

34 (n) care, treatment, maintenance and rehabilitation services that  
35 would otherwise qualify for reimbursement pursuant to this chapter to  
36 persons suffering from alcoholism in alcoholism facilities or chemical  
37 dependence, as such term is defined in section 1.03 of the mental  
38 hygiene law, in inpatient chemical dependence facilities, services, or  
39 programs operated in compliance with applicable provisions of this chap-  
40 ter and the mental hygiene law, and certified by the office of alcohol-  
41 ism and substance abuse services, provided however that such services  
42 shall be limited to such periods of time as may be determined necessary  
43 in accordance with a utilization review procedure established by the  
44 commissioner of the office of alcoholism and substance abuse services  
45 and that such services shall be covered for a period of not less than  
46 forty-five days, and provided further, that this paragraph shall not  
47 apply to any hospital or part of a hospital as defined in section two  
48 thousand eight hundred one of the public health law.

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