

STATE OF NEW YORK

1763--A

2025-2026 Regular Sessions

IN SENATE

January 13, 2025

Introduced by Sens. FERNANDEZ, ADDABBO, S. RYAN -- 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 certain cost sharing fees for outpatient treatment at a substance use treatment program

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

1 Section 1. Subparagraph (E) of paragraph 31 of subsection (i) of
2 section 3216 of the insurance law, as amended by section 6 of subpart A
3 of part BB of chapter 57 of the laws of 2019, is amended and a new
4 subparagraph (K) is added to read as follows:

5 (E) This subparagraph shall apply to facilities in this state that are
6 licensed, certified or otherwise authorized by the office of [~~alcoholism~~
7 ~~and substance abuse~~] addiction services and supports for the provision
8 of outpatient, intensive outpatient, outpatient rehabilitation and
9 opioid treatment that are participating in the insurer's provider
10 network. Coverage provided under this paragraph shall not be subject to
11 preauthorization. Coverage provided under this paragraph shall not be
12 subject to concurrent review for the first four weeks of continuous
13 treatment, not to exceed twenty-eight visits, provided the facility
14 notifies the insurer of both the start of treatment and the initial
15 treatment plan within two business days. The facility shall perform
16 clinical assessment of the patient at each visit, including periodic
17 consultation with the insurer at or just prior to the fourteenth day of
18 treatment to ensure that the facility is using the evidence-based and
19 peer reviewed clinical review tool utilized by the insurer which is
20 designated by the office of [~~alcoholism and substance abuse~~] addiction
21 services and supports and appropriate to the age of the patient, to
22 ensure that the outpatient treatment is medically necessary for the
23 patient. Any utilization review of the treatment provided under this

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

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1 subparagraph may include a review of all services provided during such
2 outpatient treatment, including all services provided during the first
3 four weeks of continuous treatment, not to exceed twenty-eight visits,
4 of such outpatient treatment. Provided, however, the insurer shall only
5 deny coverage for any portion of the initial four weeks of continuous
6 treatment, not to exceed twenty-eight visits, for outpatient treatment
7 on the basis that such treatment was not medically necessary if such
8 outpatient treatment was contrary to the evidence-based and peer
9 reviewed clinical review tool utilized by the insurer which is desig-
10 nated by the office of [~~alcoholism and substance abuse~~] addiction
11 services and supports. An insured shall only have financial responsibil-
12 ities as set out in subparagraph (K) of this paragraph and shall not
13 have any financial obligation to the facility for any treatment under
14 this subparagraph other than any [~~copayment,~~] coinsurance[~~, or deduct-~~
15 ~~ible~~] otherwise required under the policy.

16 (K) For a substance use disorder outpatient treatment episode of care
17 by a provider licensed, certified or otherwise authorized by the office
18 of addiction services and supports, an insured shall only be responsible
19 for a cost sharing fee not to exceed two hundred fifty dollars. An
20 insurer providing coverage under this paragraph shall be responsible for
21 all other financial obligations to the facility. An episode of care is
22 defined to include up to sixty visits with the same treatment provider.

23 § 2. Subparagraphs (C-1) and (E) of paragraph 7 of subsection (1) of
24 section 3221 of the insurance law, subparagraph (C-1) as added by
25 section 16 and subparagraph (E) as amended by section 17 of subpart A of
26 part BB of chapter 57 of the laws of 2019, are amended and a new subpar-
27 agraph (K) is added to read as follows:

28 (C-1) A large group policy that provides coverage under this paragraph
29 shall not impose [~~copayments or~~] coinsurance for outpatient substance
30 use disorder services that exceeds the [~~copayment or~~] coinsurance
31 imposed for a primary care office visit. [~~Provided that no greater than~~
32 ~~one such copayment may be imposed for all services provided in a single~~
33 ~~day by a facility licensed, certified or otherwise authorized by the~~
34 ~~office of alcoholism and substance abuse services to provide outpatient~~
35 ~~substance use disorder services] A large group policy that provides
36 coverage under this paragraph shall not impose copayments for outpatient
37 substance use disorder services.~~

38 (E) This subparagraph shall apply to facilities in this state that are
39 licensed, certified or otherwise authorized by the office of [~~alcoholism~~
40 ~~and substance abuse~~] addiction services and supports for the provision
41 of outpatient, intensive outpatient, outpatient rehabilitation and
42 opioid treatment that are participating in the insurer's provider
43 network. Coverage provided under this paragraph shall not be subject to
44 preauthorization. Coverage provided under this paragraph shall not be
45 subject to concurrent review for the first four weeks of continuous
46 treatment, not to exceed twenty-eight visits, provided the facility
47 notifies the insurer of both the start of treatment and the initial
48 treatment plan within two business days. The facility shall perform
49 clinical assessment of the patient at each visit, including periodic
50 consultation with the insurer at or just prior to the fourteenth day of
51 treatment to ensure that the facility is using the evidence-based and
52 peer reviewed clinical review tool utilized by the insurer which is
53 designated by the office of [~~alcoholism and substance abuse~~] addiction
54 services and supports and appropriate to the age of the patient, to
55 ensure that the outpatient treatment is medically necessary for the
56 patient. Any utilization review of the treatment provided under this

1 subparagraph may include a review of all services provided during such
2 outpatient treatment, including all services provided during the first
3 four weeks of continuous treatment, not to exceed twenty-eight visits,
4 of such outpatient treatment. Provided, however, the insurer shall only
5 deny coverage for any portion of the initial four weeks of continuous
6 treatment, not to exceed twenty-eight visits, for outpatient treatment
7 on the basis that such treatment was not medically necessary if such
8 outpatient treatment was contrary to the evidence-based and peer
9 reviewed clinical review tool utilized by the insurer which is desig-
10 nated by the office of [~~alcoholism and substance abuse~~] addiction
11 services and supports. An insured shall only have financial responsibil-
12 ities as set out in subparagraph (K) of this paragraph and shall not
13 have any financial obligation to the facility for any treatment under
14 this subparagraph other than any [~~copayment,~~] coinsurance[~~, or deduct-~~
15 ~~ible~~] otherwise required under the policy.

16 (K) For a substance use disorder outpatient treatment episode of care
17 by a provider licensed, certified or otherwise authorized by the office
18 of addiction services and supports, an insured shall only be responsible
19 for a cost sharing fee not to exceed two hundred fifty dollars. An
20 insurer providing coverage under this paragraph shall be responsible for
21 all other financial obligations to the facility. An episode of care is
22 defined to include up to sixty visits with the same treatment provider.

23 § 3. Paragraphs 3-a and 5 of subsection (1) of section 4303 of the
24 insurance law, paragraph 3-a as added by section 27 and paragraph 5 as
25 amended by section 28 of subpart A of part BB of chapter 57 of the laws
26 of 2019, are amended and a new paragraph 11 is added to read as follows:

27 (3-a) A contract that provides large group coverage under this
28 subsection shall not impose [~~copayments or~~] coinsurance for outpatient
29 substance use disorder services that exceed the [~~copayment or~~] coinsu-
30 rance imposed for a primary care office visit. [~~Provided that no greater~~
31 ~~than one such copayment may be imposed for all services provided in a~~
32 ~~single day by a facility licensed, certified or otherwise authorized by~~
33 ~~the office of alcoholism and substance abuse services to provide outpa-~~
34 ~~tient substance use disorder services] A large group policy that
35 provides coverage under this paragraph shall not impose copayments for
36 outpatient substance use disorder services.~~

37 (5) This paragraph shall apply to facilities in this state that are
38 licensed, certified or otherwise authorized by the office of [~~alcoholism~~
39 ~~and substance abuse~~] addiction services and supports for the provision
40 of outpatient, intensive outpatient, outpatient rehabilitation and
41 opioid treatment that are participating in the corporation's provider
42 network. Coverage provided under this subsection shall not be subject to
43 preauthorization. Coverage provided under this subsection shall not be
44 subject to concurrent review for the first four weeks of continuous
45 treatment, not to exceed twenty-eight visits, provided the facility
46 notifies the corporation of both the start of treatment and the initial
47 treatment plan within two business days. The facility shall perform
48 clinical assessment of the patient at each visit, including periodic
49 consultation with the corporation at or just prior to the fourteenth day
50 of treatment to ensure that the facility is using the evidence-based and
51 peer reviewed clinical review tool utilized by the corporation which is
52 designated by the office of [~~alcoholism and substance abuse~~] addiction
53 services and supports and appropriate to the age of the patient, to
54 ensure that the outpatient treatment is medically necessary for the
55 patient. Any utilization review of the treatment provided under this
56 paragraph may include a review of all services provided during such

1 outpatient treatment, including all services provided during the first
2 four weeks of continuous treatment, not to exceed twenty-eight visits,
3 of such outpatient treatment. Provided, however, the corporation shall
4 only deny coverage for any portion of the initial four weeks of contin-
5 uous treatment, not to exceed twenty-eight visits, for outpatient treat-
6 ment on the basis that such treatment was not medically necessary if
7 such outpatient treatment was contrary to the evidence-based and peer
8 reviewed clinical review tool utilized by the corporation which is
9 designated by the office of [~~alcoholism and substance abuse~~] addiction
10 services and supports. A subscriber shall only have financial responsi-
11 bilities as set out in paragraph eleven of this subsection and shall not
12 have any financial obligation to the facility for any treatment under
13 this paragraph other than any [~~copayment,~~] coinsurance[~~, or deductible~~]
14 otherwise required under the contract.

15 (11) For a substance use disorder outpatient treatment episode of care
16 by a provider licensed, certified or otherwise authorized by the office
17 of addiction services and supports, an insured shall only be responsible
18 for a cost sharing fee not to exceed two hundred fifty dollars. An
19 insurer providing coverage under this paragraph shall be responsible for
20 all other financial obligations to the facility. An episode of care is
21 defined to include up to sixty visits with the same treatment provider.

22 § 4. This act shall take effect on the first of January next succeed-
23 ing the date on which it shall have become a law and shall apply to
24 policies and contracts issued, renewed, modified, altered or amended on
25 and after such date.