

STATE OF NEW YORK

6897

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

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:

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

4 (J) This subparagraph shall apply to facilities in this state that are
5 licensed, certified, or otherwise authorized by the office of addiction
6 services and supports for the provision of outpatient, intensive outpa-
7 tient, outpatient rehabilitation and opioid treatment that are partic-
8 ipating in the insurer's provider network. Reimbursement for covered
9 outpatient treatment provided by such facilities shall be at rates nego-
10 tiated between the insurer and the participating facility, provided that
11 such rates are not less than the rates that would be paid for such
12 treatment pursuant to the medical assistance program under title eleven
13 of article five of the social services law. For the purposes of this
14 subparagraph, the rates that would be paid for such treatment pursuant
15 to the medical assistance program under title eleven of article five of
16 the social services law shall be set forth in a published fee schedule
17 setting forth the specific fee for each individual service covered by
18 this subparagraph by the office of addiction services and supports and
19 shall be the rates with an effective date of April first of the preced-
20 ing year, which shall be established prior to October first of the
21 preceding calendar year. Prior to the submission of premium rate filings
22 and applications, the superintendent shall provide insurers with guid-
23 ance on factors to consider in calculating the impact of rate changes
24 for the purposes of submitting premium rate filings and applications to

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

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1 the superintendent for the subsequent policy year. To the extent that
2 the rates with an effective date of April first differ from the esti-
3 mated rates incorporated in premium rate filings and applications,
4 insurers may account for such differences in future premium rate filings
5 and applications submitted to the superintendent for approval.

6 § 2. Subparagraph (K) of paragraph 35 of subsection (i) of section
7 3216 of the insurance law, as added by section 2 of part AA of chapter
8 57 of the laws of 2024, is amended to read as follows:

9 (K) This subparagraph shall apply to outpatient treatment provided in
10 a facility issued an operating certificate by the commissioner of mental
11 health pursuant to the provisions of article thirty-one of the mental
12 hygiene law, or in a facility operated by the office of mental health,
13 or in a crisis stabilization center licensed pursuant to section 36.01
14 of the mental hygiene law, that is participating in the insurer's
15 provider network. Reimbursement for covered outpatient treatment
16 provided by such a facility shall be at rates negotiated between the
17 insurer and the participating facility, provided that such rates are not
18 less than the rates that would be paid for such treatment pursuant to
19 the medical assistance program under title eleven of article five of the
20 social services law. For the purposes of this subparagraph, the rates
21 that would be paid for such treatment pursuant to the medical assistance
22 program under title eleven of article five of the social services law
23 shall be set forth in a published fee schedule setting forth the specif-
24 ic fee for each individual service covered by this subparagraph by the
25 office of mental health and shall be the rates with an effective date of
26 April first of the preceding year, which shall be established prior to
27 October first of the preceding calendar year. Prior to the submission of
28 premium rate filings and applications, the superintendent shall provide
29 insurers with guidance on factors to consider in calculating the impact
30 of rate changes for the purposes of submitting premium rate filings and
31 applications to the superintendent for the subsequent policy year. To
32 the extent that the rates with an effective date of April first differ
33 from the estimated rates incorporated in premium rate filings and appli-
34 cations, insurers may account for such differences in future premium
35 rate filings and applications submitted to the superintendent for
36 approval.

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

40 (K) This subparagraph shall apply to outpatient treatment provided in
41 a facility issued an operating certificate by the commissioner of mental
42 health pursuant to the provisions of article thirty-one of the mental
43 hygiene law, or in a facility operated by the office of mental health,
44 or in a crisis stabilization center licensed pursuant to section 36.01
45 of the mental hygiene law, that is participating in the insurer's
46 provider network. Reimbursement for covered outpatient treatment
47 provided by such a facility shall be at rates negotiated between the
48 insurer and the participating facility, provided that such rates are not
49 less than the rates that would be paid for such treatment pursuant to
50 the medical assistance program under title eleven of article five of the
51 social services law. For the purposes of this subparagraph, the rates
52 that would be paid for such treatment pursuant to the medical assistance
53 program under title eleven of article five of the social services law
54 shall be set forth in a published fee schedule setting forth the specif-
55 ic fee for each individual service covered by this subparagraph by the
56 office of mental health and shall be the rates with an effective date of

1 April first of the preceding year, which shall be established prior to
2 October first of the preceding calendar year. Prior to the submission of
3 premium rate filings and applications, the superintendent shall provide
4 insurers with guidance on factors to consider in calculating the impact
5 of rate changes for the purposes of submitting premium rate filings and
6 applications to the superintendent for the subsequent policy year. To
7 the extent that the rates with an effective date of April first differ
8 from the estimated rates incorporated in premium rate filings and appli-
9 cations, insurers may account for such differences in future premium
10 rate filings and applications submitted to the superintendent for
11 approval.

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

15 (J) This subparagraph shall apply to facilities in this state that are
16 licensed, certified, or otherwise authorized by the office of addiction
17 services and supports for the provision of outpatient, intensive outpa-
18 tient, outpatient rehabilitation and opioid treatment that are partic-
19 ipating in the insurer's provider network. Reimbursement for covered
20 outpatient treatment provided by such facilities shall be at rates nego-
21 tiated between the insurer and the participating facility, provided that
22 such rates are not less than the rates that would be paid for such
23 treatment pursuant to the medical assistance program under title eleven
24 of article five of the social services law. For the purposes of this
25 subparagraph, 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 shall be set forth in a published fee schedule
28 setting forth the specific fee for each individual service covered by
29 this subparagraph by the office of addiction services and supports and
30 shall be the rates with an effective date of April first of the preced-
31 ing year, which shall be established prior to October first of the
32 preceding calendar year. Prior to the submission of premium rate filings
33 and applications, the superintendent shall provide insurers with guid-
34 ance on factors to consider in calculating the impact of rate changes
35 for the purposes of submitting premium rate filings and applications to
36 the superintendent for the subsequent policy year. To the extent that
37 the rates with an effective date of April first differ from the esti-
38 mated rates incorporated in premium rate filings and applications,
39 insurers may account for such differences in future premium rate filings
40 and applications submitted to the superintendent for approval.

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

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

1 program under title eleven of article five of the social services law
2 shall be set forth in a published fee schedule setting forth the specif-
3 ic fee for each individual service covered by this paragraph by the
4 office of mental health and shall be the rates with an effective date of
5 April first of the preceding year, which shall be established prior to
6 October first of the preceding calendar year. Prior to the submission of
7 premium rate filings and applications, the superintendent shall provide
8 corporations with guidance on factors to consider in calculating the
9 impact of rate changes for the purposes of submitting premium rate
10 filings and applications to the superintendent for the subsequent policy
11 year. To the extent that the rates with an effective date of April first
12 differ from the estimated rates incorporated in premium rate filings and
13 applications, corporations may account for such differences in future
14 premium rate filings and applications submitted to the superintendent
15 for approval.

16 § 6. Paragraph 10 of subsection (1) of section 4303 of the insurance
17 law, as added by section 6 of part AA of chapter 57 of the laws of 2024,
18 is amended to read as follows:

19 (10) This paragraph shall apply to facilities in this state that are
20 licensed, certified, or otherwise authorized by the office of addiction
21 services and supports for the provision of outpatient, intensive outpa-
22 tient, outpatient rehabilitation and opioid treatment that are partic-
23 ipating in the corporation's provider network. Reimbursement for covered
24 outpatient treatment provided by such facilities shall be at rates nego-
25 tiated between the corporation and the participating facility, provided
26 that such rates are not less than the rates that would be paid for such
27 treatment pursuant to the medical assistance program under title eleven
28 of article five of the social services law. For the purposes of this
29 paragraph, the rates that would be paid for such treatment pursuant to
30 the medical assistance program under title eleven of article five of the
31 social services law shall be set forth in a published fee schedule
32 setting forth the specific fee for each individual service covered by
33 this paragraph by the office of addiction services and supports and
34 shall be the rates with an effective date of April first of the preced-
35 ing year, which shall be established prior to October first of the
36 preceding calendar year. Prior to the submission of premium rate filings
37 and applications, the superintendent shall provide corporations with
38 guidance on factors to consider in calculating the impact of rate chang-
39 es for the purposes of submitting premium rate filings and applications
40 to the superintendent for the subsequent policy year. To the extent that
41 the rates with an effective date of April first differ from the esti-
42 mated rates incorporated in premium rate filings and applications,
43 corporations may account for such differences in future premium rate
44 filings and applications submitted to the superintendent for approval.

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