

# 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:

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 fee schedule setting  
17 forth the specific fee for each individual service covered by this  
18 subparagraph published by the office of addiction services and supports  
19 by November first of the preceding calendar year and shall be the rates  
20 with an effective date of April first of the preceding year, which shall  
21 be established prior to October first of the preceding calendar year.  
22 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.

LBD11143-03-5

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

9 § 2. Subparagraph (K) of paragraph 35 of subsection (i) of section  
10 3216 of the insurance law, as added by section 2 of part AA of chapter  
11 57 of the laws of 2024, is amended to read as follows:

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

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

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

1 shall be set forth in a fee schedule setting forth the specific fee for  
2 each individual service covered by this subparagraph published by the  
3 office of mental health by November first of the preceding calendar year  
4 and shall be the rates with an effective date of April first of the  
5 preceding year, which shall be established prior to October first of the  
6 preceding calendar year. Prior to the submission of premium rate filings  
7 and applications, the superintendent shall provide insurers with guid-  
8 ance on factors to consider in calculating the impact of rate changes  
9 for the purposes of submitting premium rate filings and applications to  
10 the superintendent for the subsequent policy year. To the extent that  
11 the rates with an effective date of April first differ from the esti-  
12 mated rates incorporated in premium rate filings and applications,  
13 insurers may account for such differences in future premium rate filings  
14 and applications submitted to the superintendent for approval.

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

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

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

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

1 not less than the rates that would be paid for such treatment pursuant  
2 to the medical assistance program under title eleven of article five of  
3 the social services law. For the purposes of this paragraph, the rates  
4 that would be paid for such treatment pursuant to the medical assistance  
5 program under title eleven of article five of the social services law  
6 shall be set forth in a fee schedule setting forth the specific fee for  
7 each individual service covered by this paragraph published by the  
8 office of mental health by November first of the preceding calendar year  
9 and shall be the rates with an effective date of April first of the  
10 preceding year, which shall be established prior to October first of the  
11 preceding calendar year. Prior to the submission of premium rate filings  
12 and applications, the superintendent shall provide corporations with  
13 guidance on factors to consider in calculating the impact of rate chang-  
14 es for the purposes of submitting premium rate filings and applications  
15 to the superintendent for the subsequent policy year. To the extent that  
16 the rates with an effective date of April first differ from the esti-  
17 mated rates incorporated in premium rate filings and applications,  
18 corporations may account for such differences in future premium rate  
19 filings and applications submitted to the superintendent for approval.

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

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

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