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:

Section 1. Subparagraph (J) of paragraph 31 of subsection (i) of section 3216 of the insurance law, as amended by 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, is amended to read as follows:

(J) **(i)** This [~~subparagraph~~] **clause** shall apply to facilities in this state that are licensed, certified, or otherwise authorized by the office of addiction services and supports for the provision of outpatient, intensive outpatient, outpatient rehabilitation and opioid treatment that are participating in the insurer's provider network. Reimbursement for covered outpatient treatment provided by such facilities shall be at rates negotiated between the insurer and the participating facility, provided that such rates are not less than the rates that would be paid for such treatment pursuant to the medical assistance program under title eleven of article five of the social services law. For the purposes of this [~~subparagraph~~] **clause**, the rates that would be paid for such treatment pursuant to the medical assistance program under title eleven of article five of the social services law [~~shall be set forth in a fee schedule setting forth the specific fee for each individual 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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~~addiction services and supports by November first of the preceding calendar year and~~] shall be the rates with an effective date of April first of the preceding year, which shall be established prior to October first of the preceding calendar year.

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

§ 2. Subparagraph (K) of paragraph 35 of subsection (i) of section 3216 of the insurance law, as amended by 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, is amended to read as follows:

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

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

filings and applications, the superintendent shall provide insurers with guidance on factors to consider in calculating the impact of rate changes for the purposes of submitting premium rate filings and applications to the superintendent for the subsequent policy year. To the extent that the rates with an effective date of April first differ from the estimated rates incorporated in premium rate filings and applications, insurers may account for such differences in future premium rate filings and applications submitted to the superintendent for approval.

§ 3. Subparagraph (K) of paragraph 5 of subsection (l) of section 3221 of the insurance law, as amended by 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, is amended to read as follows:

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

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

§ 4. Subparagraph (J) of paragraph 7 of subsection (l) of section 3221 of the insurance law, as amended by 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, is amended to read as follows:

(J) **(i)** This [~~subparagraph~~] **clause** shall apply to facilities in this state that are licensed, certified, or otherwise authorized by the office of addiction services and supports for the provision of outpatient, intensive outpatient, outpatient rehabilitation and opioid treatment that are participating in the insurer's provider network. Reimbursement for covered outpatient treatment provided by such facilities shall be at rates negotiated between the insurer and the participating facility, provided that such rates are not less than the rates that would be paid for such treatment pursuant to the medical assistance program under title eleven of article five of the social services law. For the purposes of this [~~subparagraph~~] **clause**, the rates that would be paid for such treatment pursuant to the medical assistance program under title eleven of article five of the social services law [~~shall be set forth in a fee schedule setting forth the specific fee for each individual service covered by this subparagraph published by the office of addiction services and supports by November first of the preceding calendar year and~~] shall be the rates with an effective date of April first of the preceding year, which shall be established prior to October first of the preceding calendar year.

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

§ 5. Paragraph 12 of subsection (g) of section 4303 of the insurance law, as amended by 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, is amended to read as follows:

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

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

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

§ 6. Paragraph 10 of subsection (l) of section 4303 of the insurance law, as amended by 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, is amended to read as follows:

(10) (A) This [~~paragraph~~] subparagraph shall apply to facilities in this state that are licensed, certified, or otherwise authorized by the office of addiction services and supports for the provision of outpatient, intensive outpatient, outpatient rehabilitation and opioid treatment that are participating in the corporation's provider network. Reimbursement for covered outpatient treatment provided by such facilities shall be at rates negotiated between the corporation and the participating facility, provided that such rates are not less than the rates that would be paid for such treatment pursuant to the medical assistance program under title eleven of article five of the social services law. For the purposes of this [~~paragraph~~] subparagraph, the rates that would be paid for such treatment pursuant to the medical assistance program under title eleven of article five of the social services law [~~shall be set forth in a fee schedule setting forth the specific fee for each individual service covered by this paragraph published by the office of addiction services and supports by November first of the preceding calendar year and~~] shall be the rates with an effective date of April first of the preceding year, which shall be established prior to October first of the preceding calendar year.

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

construed to relieve an insurer of the obligation to reimburse at no less than the applicable minimum rate set forth in subparagraph (A) of this paragraph. Prior to the submission of premium rate filings and applications, the superintendent shall provide corporations with guidance on factors to consider in calculating the impact of rate changes for the purposes of submitting premium rate filings and applications to the superintendent for the subsequent policy year. To the extent that the rates with an effective date of April first differ from the estimated rates incorporated in premium rate filings and applications, corporations may account for such differences in future premium rate filings and applications submitted to the superintendent for approval.

§ 7. Section 7 of 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, is amended to read as follows:

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

§ 8. This act shall take effect immediately; provided, however, that sections one, two, three, four, five and six of this act shall take effect on the same date and in the same manner as 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, takes effect.