§ 2608. Discrimination because of treatment for a mental disability. (a) No individual or entity shall refuse to issue or renew, or shall cancel any policy of insurance because of any past treatment for a mental disability of the insured.

(b) The prohibition of subsection (a) hereof shall not preclude an insurer from refusing to issue or renew or from cancelling a policy based on sound underwriting and actuarial principles reasonably related to actual or anticipated loss experience. The insurer shall notify the insured or his physician of its specific reason or reasons for refusal to issue or renew or for cancelling such policy.

(c) In this section, mental disability has the meaning defined in subdivision three of section 1.03 of the mental hygiene law.