

S.8307/A.8807 Part AA

STAFF CONTACT : Paul Zuber | Executive Vice President | 518.694.4463

BILL

S.8307/A.8807 Part AA

SUBJECT

Behavioral Health Reimbursement Rate

DATE

January 31, 2024

OPPOSE

The Business Council opposes Part AA of S.8307/A.8807 which amends Insurance Law to require New York State regulated health plans reimburse innetwork Office of Mental Health (OMH) and Office of Addiction Services and Supports (OASAS) licensed providers at or above the Medicaid rate for outpatient behavioral health services.

Businesses and their employees expect that their health plan will negotiate reasonable rates with providers and provider groups. But this proposal takes away that ability to negotiate through mandating a rate at which a provider must be paid. By limiting a health plan's ability to seek the best rate for consumers, health care premiums will rise.

This proposal, like recent regulatory proposals around network adequacy and standards, fail to recognize or act on addressing the workforce shortage for behavioral health providers, and ultimately will only increase health care premiums without measures to expand access to care and providers.

For these reasons, The Business Council opposes Part AA of S.8307/A.8807 and recommends against its inclusion in the final enacted budget.