

S.8308/A.8808 Part HH

STAFF CONTACT : Paul Zuber | Executive Vice President | 518.694.4463

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S.8308/A.8808 Part HH

SUBJECT

Mental Health Parity
Penalties

DATE

January 31, 2024

OPPOSE

The Business Council opposes Part HH of S.8308/A.8808 which amends Insurance Law by increasing the penalties that Department of Financial Services (DFS) can impose on health plans for violations of state or federal mental health parity laws.

DFS has broad existing authority to enforce mental health parity requirements, including monetary penalties. DFS exercises this authority already, and in many cases, the fines they do collect are the result of technical errors in compliance reporting, not flagrant disregard of the law.

This proposal is concerning, like other proposals in this year's budget to address mental health, because it does nothing to increase provider capacity or patient access and support. Increasing penalties does not equate to more behavioral health providers or greater access; it will only lead to increased health care premiums that will be paid by New York's employers and their employees.

For these reasons, The Business Council opposes Part HH of S.8308/A.8808 and recommends against its inclusion in the final enacted budget.