

S.3566 (Breslin)

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BILL S.3566 (Breslin)
SUBJECT Relates to the Purchase of Prescription Drugs
DATE March 16, 2021
OPPOSE

The Business Council opposes S.3566 (Breslin), which would limit pharmacy mail order options for health insurance purchasers. Pharmacy benefits are optional in New York and the cost of a pharmaceutical rider is the major factor for employers in determining whether to provide this coverage to their employees. This bill will unquestionably result in increased pharmaceutical costs for New York's consumers and employers and a decrease in those employers offering a pharmaceutical benefit to their employees.

The use of volume discounts through mail order has been a proven method for health insurance plans to control pharmaceutical costs for their enrollees. Mail order pharmacy services are often less expensive than retail pharmacy and help to provide small businesses and families with affordable prescription drug access.

With the growth of prescription pharmaceutical use and in light of the impending massive increases in the number insured New Yorkers under the federal health reform law, there is a enough pharmaceutical business to ensure both a flourishing independent retail pharmacy business and a mail order business without resorting to protectionist legislation meant to pick winners and losers. Mail order pharmacies have not put independent pharmacies at risk. Rather, the two have shared in the overall growth of pharmacy expenditures.

This legislation would reduce competition and raise prices for consumers and employers alike, without delivering any added benefit to the public. For all these reasons, The Business Council opposes this legislation.