



S.868 (Bailey) / A.2449 (Cruz)

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<p>BILL</p> <p>S.868 (Bailey) / A.2449 (Cruz)</p>
<p>SUBJECT</p> <p>Health Insurance Mandate</p>
<p>DATE</p> <p>April 20, 2026</p>
<p>OPPOSE</p>

The Business Council of New York State strongly opposes S.868 (Bailey)/A.2449 (Cruz) which mandates state regulated health insurance policies include coverage costs of certain infant and baby formulas. Currently health plans provide coverage for enteral formulas. This legislation specifies "infant" and "baby" however, if the formulas meet the current specified criteria for a formula there are dozens of existing unfunded mandates on private insurance purchased by small and medium sized businesses which continue to drive up the costs of coverage at a time when New Yorkers are struggling with an affordability crisis.

Each new health insurance mandate the legislature passes and becomes law increases costs for New York's small and medium sized businesses and their employees. The new mandate forces them to purchase coverage that they might not need nor want, making it increasingly difficult to find affordable health insurance. These types of mandates only apply to fully insured policies that are either purchased by individuals in the marketplace or received through a small or medium sized employer, they do not apply to self-insured health plans. Across New York State, more than 50% of the commercial market is covered under a self-insured health plan. Large companies generally self-insure, because it allows them to customize a plan to meet specific needs of their employees, contract with providers/provider networks and directly pay claims to providers. Self-insured plans are regulated at the federal level under (ERISA) and are not subject to state health insurance benefit mandates.

Additional health insurance coverage mandates only further aggravate New York's affordability crisis and threaten small and medium sized businesses. We should be working toward ways to make healthcare more affordable for New Yorkers. For these reasons, The Business Council opposes the above-mentioned legislation.