

S.5045 (Bailey) / A.6484 (Weprin)

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BILL S.5045 (Bailey) / A.6484 (Weprin)
SUBJECT Limits copayments for physical therapy services
DATE March 21, 2025
OPPOSE

The Business Council opposes S.5045 (Bailey) / A.6484 (Weprin) which would limit co-payments for physical therapy services to no more than co-payments for a primary care visit. This legislation will increase costs for small and medium-sized businesses that purchase private health insurance.

Many health plans currently classify physical therapy providers as specialists, and a specialist visit may have a higher co-payment than a primary care provider. Generally, health plans limit these co-payments to \$25-\$50.

Health plans are designed around numerous factors and categorized by levels – Bronze, Silver, Gold, Platinum – based on how an insured and the health plan split costs (known as cost-sharing). For each category, an insured pays a different percentage of the total yearly costs of care, including premiums, deductibles and co-payments, and the health plan pays the remaining costs. An insured’s cost-sharing is based off the actuarial value of a particular health plan, including whether it is a plan with a lower monthly premium (and higher co-payments) or a plan with higher monthly premiums (and lower co-payments). All health plans must meet New York State and federal law requirements and fit into narrow actuarial value ranges.

Contracted providers are reimbursed by health plans based off a negotiated fee schedule that factors a patient’s cost-sharing responsibility into the fee schedule. By interfering with a health plan’s ability to negotiate contracts with providers and restricting how cost-sharing is distributed, this legislation could increase a plan’s actuarial value which would bring it into a higher category and raise its premium cost.

This legislation will make health insurance more expensive and limit the number of affordable coverage options. Ultimately, by mandating co-payments, a plan’s ability to offer affordable coverage is limited and will result in higher premium costs for businesses and individuals who purchase private health insurance.

For these reasons, The Business Council opposes S.5045 (Bailey) / A.6484 (Weprin).