

S.504-A (Rivera)/A.4141-A (Forrest)

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BILL S.504-A (Rivera)/A.4141-A (Forrest)
SUBJECT Eliminating Insulin Copay
DATE January 30, 2024
OPPOSE

The Business Council opposes S.504-A (Rivera)/A.4141-A (Forrest) which amends Insurance Law to prohibit covered prescription insulin drugs from being subject to cost sharing requirements (including deductibles, copayments, and co-insurance). Under current law, a 30-day supply of insulin is capped at a cost-sharing of \$100.

The Business Council is committed to ensuring employers and their employees have access to the medications they need, especially to treat acute and chronic health conditions. However, we are always concerned with any new health insurance coverage mandates, like this proposal, as they result in increased costs for employees and employers who purchase private health insurance in New York. These costs fall disproportionately on small and medium-sized businesses who purchase private insurance plans. Mandates like this only apply to fully insured policies that are either purchased by individuals on the marketplace or received through a small or medium-sized business.

Large companies generally self-insure, which allows them to customize a plan to meet the specific needs of their employees, contract with providers or provider networks, and directly pay claims to providers. But importantly, self-insured health plans are regulated under federal law (ERISA) and not subject to state health insurance benefit mandates.

In New York, more than 50% of the commercial market is covered under a self-insured plan. These mandates only impact small businesses and their employees, and individuals that purchase coverage on their own, that make up the other portion of the commercial market. While the merits of any single mandate may be sound and not overwhelming alone, the collective imposition of over three dozen unfunded mandates on private insurance purchased by small and medium-sized businesses significantly drives up costs.

For these reasons, The Business Council opposes the adoption of S.504-A (Rivera)/A.4141-A (Forrest).