

S.599 (Salazar) / A.1707 (D. Rosenthal)

STAFF CONTACT : Paul Zuber | Executive Vice President | 518.694.4463

BILL S.599 (Salazar) / A.1707 (D. Rosenthal)
SUBJECT Advance Notification of Wholesale Acquisition Cost Increases
DATE April 24, 2023
OPPOSE

The Business Council opposes S.599 (Salazar) / A.1707 (D. Rosenthal).

This legislation requires pharmaceutical manufacturers to provide 60-day advance notification of wholesale acquisition cost (WAC) price increases. The Business Council is committed to working with lawmakers and the healthcare sector to lower healthcare costs paid by employers and employees, however, this legislation does not lower the cost of prescription drugs paid by a patient at the pharmacy counter. In

lower the cost of prescription drugs paid by a patient at the pharmacy counter. In fact, it will only create undue and burdensome reporting not only for manufacturers but for the Department of Financial Services who, under the provisions of the bill, is required to post notice of the price increase within 5 days of receipt. Further, we find the requirement to disclose confidential trade secret information within the price increase notification extremely worrisome as the bill fails to provide sufficient protections for such information.

This legislation also raises constitutional concerns. Currently, an Oregon law requiring the advance notification of price increases is being challenged on several grounds, including violations of the First Amendment and the Dormant Commerce Clause, which prohibits state legislation that unduly burdens interstate or international commerce law. The litigation is currently pending, but a similar analysis would likely be applied to legislation in other states if the law is deemed unconstitutional.

It is for these reasons that The Business Council opposes S.599 (Salazar) / A.1707 (D.Rosenthal).

[ABOUT](#) / [MEMBERSHIP](#) / [ADVOCACY](#) / [EVENTS](#) / [NEWS](#) / [INSURANCE](#)

Business Council Headquarters

111 Washington Avenue, Suite 400
Albany, New York 12210
518.465.7511 or 800.358.1202

Business Council Insurance Fund

12 Corporate Woods Blvd., Suite 17
Albany, New York 12211-2390
518.465.1571 or 800.692.5483

Council Finance & Membership

12 Corporate Woods Blvd., Suite 17

Albany, New York 12211-2390
518.465.7511 or 800.358.1202



© The Business Council of New York State, Inc.



BECOME A MEMBER