

MEDICAL SOCIETY
of the
STATE OF NEW YORK

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Division of Governmental Affairs
MEMORANDUM IN SUPPORT

PASSED SENATE

S.4111 (BRESLIN)

ON ASSEMBLY FLOOR

A.4668 (PEOPLES-STOKES)

**AN ACT to amend the insurance law, in relation to
prescription drug formulary changes during a contract year**

This bill would amend the Insurance Law to protect health insurance consumers by restricting the ability of healthcare plans to move a prescription medication to a higher-cost tier on a formulary during the enrollment year. **The Medical Society of the State of New York supports enactment of this measure.**

Critical to assuring a patient's recovery from illness or stabilizing a patient's condition is through continuation of a medication regimen recommended by their physician. As a result, a consumer's choice of which insurance plan to enroll is often driven by which health insurance plan will cover their needed medication with the lowest possible out of pocket cost. Under this bill, consumers would have greater assurance that coverage for prescription drugs in the plan's formulary will not change during the enrollment year for a medication they are currently taking. Unexpected prescription drug changes in the formulary could result in higher out-of-pocket costs, which could seriously interfere with the continued medication therapy for patients with serious medical conditions such as epilepsy, cancer, asthma, and HIV/AIDS. This legislation would help to protect consumers from unforeseen higher deductibles, copayments and coinsurance that would result from health care plans moving prescription drugs to a tier with higher patient cost sharing.

Moreover, there have been changes to this legislation from the version that was passed by the Legislature, but vetoed, in 2019, to address concerns that had led to the veto of this legislation. These new provisions would permit an insurer in some instances to revise a formulary during the contract year provided that such formulary revision would not be applicable to a patient already using the medication subject to the formulary change or diagnosed with a condition that is treated by the medication subject to the formulary change.

For the above stated reasons, the Medical Society supports this legislation and urges that it be enacted into law.

Respectfully submitted,

5/10/21
MMA - support

MSSNY DIVISION OF GOVERNMENTAL AFFAIRS