

RANKING MINORITY MEMBER

AGING
VETERANS, HOMELAND SECURITY AND
MILITARY AFFAIRS

COMMITTEE MEMBER

CHILDREN AND FAMILIES
DISABILITIES
HEALTH



SENATOR
JACOB C. ASHBY
43RD SENATE DISTRICT

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October 16, 2023

Kristina Magne
Department of Financial Services
One Commerce Plaza
Albany, NY 12257

Re: Concerns Proposed Amendments to Insurance Regulation 219, Regulation 224 and Regulations 226-229 [11 NYCRR 450, 454, and 456-459] Impacting Prescription Drug Access and Affordability

Dear Assistant Deputy Superintendent Magne:

As Ranking Member on the New York State Senate Standing Committee on Aging and as a Member of the New York State Standing Committee on Health, I have reviewed the above-referenced proposed regulations by the Department of Financial Services (DFS) and have serious concerns regarding the burdensome impact the regulations would have on New Yorkers.

Most notably, proposed Section 456.7(a) would impose a mandatory \$10.18 dispensing fee for every prescription filled in the state. While it's crucial our pharmacists are appropriately reimbursed for their services, a \$10.18 fee will have a devastating impact on the cost of medications to consumers, particularly those on fixed incomes. Such a fee will directly result in higher costs for health care for those residing in the 43rd Senate District.

Additionally, the proposed regulations reduce standards for specialty pharmacies, impact home delivery options and interfere with private contracting terms. These provisions go beyond the enacting legislation and are an overreach by the Department through the rulemaking process.

The proposed regulations will exacerbate the already exorbitant cost of health care in New York State, and have a direct impact on the most vulnerable, by increasing the cost of lifesaving medications at a time when the cost of living is skyrocketing. I strongly urge the Department to reconsider the proposed regulations which can effectively regulate Pharmacy Benefit Managers without imposing additional costs on New York patients.

Sincerely,

A handwritten signature in black ink, appearing to read "Jacob C. Ashby".

State Senator Jacob Ashby
43rd Senate District