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New York Senate Majority Advances Legislation to Protect Access to Affordable Health Care & Lower Prescription Drug Costs

(Albany, N.Y.) Today, the Senate Majority will advance legislation to lower prescription drug costs, expand health care access, and promote health equity. As Washington continues to cut funding for critical healthcare programs, we are standing up for New Yorkers and protecting patients' access to the prescriptions, services, and care they need.

The bills in today's package aim to put New York's patients above profits. This package includes legislation that would ban anticompetitive pay-for-delay agreements, which compensate drug manufacturers at the expense of consumers; ensure rebates are distributed equitably and in a timely manner to patients; and mandate health insurance policies cover diabetes-related health screenings.

Also included in this package is "The New York State Affordable Drug Manufacturing Act." If signed into law, New York would become the second state in the nation to pursue its own drug manufacturing to lower costs and protect against short supplies.

Senate Majority Leader Andrea Stewart-Cousins said, "At a time when Washington has cut \$7.5 billion in annual funding for New York's Essential Plan, risking health care coverage for millions of New Yorkers, we continue to stand up for patients. We remain committed to expanding health care coverage, reducing the cost of prescription drugs, and making health care more affordable. Today's package would make New York the second state in the nation to undertake its own drug manufacturing, ensure patients receive prescription drug rebates, expand diabetes and prediabetes screening coverage, and ban pay-for-delay agreements in order to lower prescription drug costs. These bills reflect our Senate Majority's commitment to improving health outcomes for every New Yorker in need. I thank the sponsors for their leadership."

Chair of the Senate Committee on Health, and bill sponsor, Senator Gustavo Rivera said, "I am honored to support this legislative package, that includes my New York Affordable Manufacturing Act (S.1618), a bill that would allow direct partnership with drug manufacturers to produce generic drugs and significantly lower the costs for customers. I want to thank the Leader and my colleagues for prioritizing policies that will help New Yorkers access affordable healthcare."

The legislation being passed by the Senate Majority includes:

- **The New York Affordable Drug Manufacturing Act:** This bill, [S.1618](#), sponsored by Senator Rivera, would authorize the NYS Department of Health and its commissioner to establish partnerships directly with drug manufacturers to help significantly lower the

cost of drugs for consumers by helping secure more generic alternatives to prescription medications.

- **Banning Pay-for-Delay Agreements:** This bill, [S.3203](#), sponsored by Senator Fernandez, would ban prescription drug manufacturers from entering into pay-for-delay agreements, which prolong the marketplace entry of generic alternatives to brand-name drugs and prevent competition.
- **Expanding Fee Schedules to OASAS Treatment Centers:** This bill, [S.4950](#), sponsored by Senator Harckham, would require the Office of Addiction Services and Supports (OASAS) to establish fee schedules for services provided by OASAS treatment centers, and would prohibit persons from being denied treatment at such centers because of their inability to pay.
- **Ensuring Patients Benefit from Prescription Drug Rebates:** This bill, [S.2128](#), sponsored by Senator Jackson, would ensure patients benefit from rebates within the prescription drug supply chain and require health insurance issuers to certify that a majority of those rebates (greater than 85%) are distributed to the patients at the point of sale.
- **Requiring Insurance Coverage of Diabetes Related Screenings:** This bill, [S.634B](#), sponsored by Senator Liu, would require certain health insurance policies to provide coverage for diabetes and prediabetes screenings.
- **Prescription Drug Supply Chain Transparency Act:** This bill, [S.438](#), sponsored by Senator Myrie, would require pharmacy services administrative organizations, switch companies, and rebate aggregators to register with the Department of Financial Services. These companies would have to provide certain disclosures like ownership, structure, and audited financials to the department. The department would then post the information to a searchable database on its website.
- **Wholesale Prescription Drug Importation Program:** This bill, [S.371](#), sponsored by Senator Skoufis, would establish a wholesale prescription drug importation program in New York State, in accordance with federal law, from countries with consumer safety on par with the U.S. drug supply chain system and where significant consumer cost savings are possible.
- **Streamlining Reimbursements to Pharmacies:** This bill, [S.5939B](#), sponsored by Senator Skoufis, would simplify and alter the methodology for pharmacy reimbursement for commercial health plans. It would require pharmacy benefit managers (PBMs) to reimburse participating pharmacies at the National Drug Acquisition Cost (NADAC) rate or at the pharmacy acquisition cost rate under certain circumstances. In addition, it would ensure PBMs pay a dispensing fee that is on par with the Medicaid professional dispensing fee.

Bill sponsor Senator Nathalia Fernandez said, “Patients in New York and across the country are facing unacceptable prescription drug costs and a lack of transparency in how medications are priced. By passing the Prescription Drug and Health Care Affordability Package, including my legislation, S.3203, which prohibits anti-competitive pay-for-delay agreements, we are lowering costs and expanding access to affordable generic medications. This package strengthens

accountability and protects patients from practices that put profits over people. Thank you to Majority Leader Stewart-Cousins for her leadership and commitment to building a health care system that is affordable and transparent.”

Bill sponsor Senator Pete Harekham said, “No one should be turned away from lifesaving care for substance use disorder because of an inability to pay. I am grateful to the Majority Leader for including my bill in this important package to address the high cost of healthcare.”

Bill sponsor Senator Robert Jackson said, “Health care should never be a profit maze that families must navigate in their most vulnerable moments. This legislative package takes direct aim at the structural imbalances that have driven up costs while patients carry the burden. I am proud to sponsor S.2128, which ensures that more than 85 percent of prescription drug rebates are delivered directly to patients at the pharmacy counter. Savings negotiated in a patient’s name must reach that patient — not remain trapped in the supply chain. Good policy does more than regulate markets; it corrects them. This package restores balance and affirms a simple principle: in New York, people come before profits.”

Bill sponsor Senator John Liu said, “Affordable health care starts with prevention. By expanding insurance coverage for diabetes and prediabetes screenings in this package, the Senate Democratic Majority is taking action to catch this serious disease sooner, especially in communities like Asian Americans who face higher risk at lower BMIs, and to remove cost barriers that too often delay diagnosis and treatment.”

Bill sponsor Senator Zellnor Myrie said, “For too many New Yorkers, needed medications are simply unaffordable. Costly middlemen in the pharmaceutical supply chain often drive-up prices without accountability or oversight. Our bill brings greater transparency to the industry and helps ensure New Yorkers can access the drugs they need at prices they can afford. I’m grateful to my colleagues for advancing this package of important legislation taking aim at the high cost of prescription drugs.”

Bill sponsor Senator James Skoufis said, “I am proud to stand with my colleagues to advance this package of legislation aimed at combating the sky-high costs of medicine. Access to prescriptions is critical healthcare. My two bills will bring down prices by authorizing New York State to import prescriptions from Canada and, furthermore, help our pharmacists who dispense these critical drugs to remain in business by ensuring commercial insurance plans are at least reimbursing at the Medicaid rate.”

Executive Director of Statewide Senior Action Council, Maria Alvarez said, “We commend the NYS Senate Majority for promoting a set of bills that will improve the infrastructure of prescription drug delivery and use of medications for older New Yorkers and their families. Many of these measures will streamline delivery of services expanding the availability of much needed prescription drugs and medical supplies while protecting consumer rights and making this entire aspect of healthcare more affordable and transparent in NYS.”

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