



Legislation Text

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Res. No. 334

Resolution calling upon the New York State Legislature to pass S.5456-A/A.8420-A, also known as “The Employee’s Mail Order Pharmacy Bill of Rights”, legislation which would prohibit any health insurance policy from imposing an additional fee or co-pay requirement on any employee or insured person who elects to purchase prescribed drugs from a pharmacy source other than a mail order provider.

By Council Members Avella, Brewer, Dickens, Felder, Gennaro, James, Koppell, Liu, Mark-Viverito, Palma, Seabrook, Sears, Weprin, White Jr. and Nelson

Whereas, Escalating costs in prescription drugs present an enormous challenge to consumers; and

Whereas, In order to save costs, most prescription benefit plans use pharmacy benefit managers (PBMs), who essentially act as middlemen who negotiate on behalf of their clients for discounts from drug manufacturers; and

Whereas, PBMs have become increasingly reliant on mandatory mail order pharmacy plans; and

Whereas, Many consumers with prescription drug coverage are being forced to either use mandatory mail order plans, or if they choose not to, pay full cost and higher fees; and

Whereas, According to findings from a study done by the Creighton University Medical Center’s School of Pharmacy and Health Professions, mail order prices were actually higher than those of community pharmacies in many cases; and

Whereas, In addition to imposing financial burdens, these mandatory mail order plans remove an essential component of health care for many patients - their neighborhood pharmacist; and

Whereas, These pharmacists often have knowledge of a patient’s medical history and thus are better able to ensure that negative drug interactions are avoided, and can provide face-to-face consultation with patients; and

Whereas, The increased reliance on mandatory mail order prescriptions has resulted in economic hardship for many community-based pharmacists; and

Whereas, The Pharmacists Society of the State of New York has estimated that hundreds of millions of taxpayer dollars would leave New York State and New York City as a result of drug-store closures in the event that greater reliance on mail order pharmacies continues; and

Whereas, S.5456-A/A.8420-A, also known as “The Employee’s Mail Order Pharmacy Bill of Rights”, legislation introduced in the New York State Legislature, would preserve the choice of certain consumers with respect to purchasing prescribed drugs; and

Whereas, This legislation would provide that no health insurance policy may impose an additional fee or co-payment requirement on any employee or insured who elects to purchase prescribed drugs from a pharmacy source other than a mail order provider, if such fee or co-payment is not otherwise imposed; and

Whereas, This legislation would also require that employees be notified of their right to express a preference for a network pharmacy in the community when mail order delivery is also offered by their plan; and

Whereas, This legislation would also require that employees and their family members who receive prescription drug benefits receive 30 days notice prior to any change in prescription benefits, and that employees have 14 days to inform an employer of his or her plan preferences; and

Whereas, Employees deserve the right to choose whether or not to use mail order pharmacies, and should not be penalized for making the choice not to use them; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the New York State Legislature to pass S.5456-A/A.8420-A, also known as “The Employee’s Mail Order Pharmacy Bill of Rights”, legislation which would prohibit any health insurance policy from imposing an additional fee or co-pay requirement on any employee or insured person who elects to purchase prescribed drugs from a pharmacy source other than a mail order provider.

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