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MEMORANDUM IN OPPOSITION

FOR IMMEDIATE RELEASE: MAY 3, 2018

Re: S.5196-B (Lanza)/A.4306-B (Quart) – An act to amend the insurance law, in relation to synchronization of multiple prescriptions and dispensing fee standardization.

This legislation, S.5196-B/A.4306-B, seeks to allow for commercial market the synchronization of multiple prescriptions to be picked up at once at the retail pharmacy, and for retail pharmacies to collect the full dispensing fee for partial medication fills. The New York Health Plan Association (HPA) opposes this legislation as it is currently drafted as it would negatively impact efforts to reduce the cost of prescription drugs.

This legislation would allow consumers in the state regulated commercial marketplace to consolidate their prescription drug refills to a single trip to the retail pharmacy. The intent of the legislation is to promote adherence to prescription drugs by making it easier for the consumer to get all of their prescription drugs in one fill. While that is a laudable goal supported by the plans, the bill goes farther. The bills allows the consumer's cost-sharing for drugs that are refilled for a period of less than thirty days to be prorated to account for the shorter fill period, but that the dispensing fee the retail pharmacy would collect would still be set at the full thirty day level regardless of the shortened timeframe.

While HPA understands the concept of synchronization, the reimbursement of retail pharmacies for the full dispensing fee for a period less than thirty days is of concern. There are no limits on how many times the consumer can utilize synchronization. For those consumers that take medications that require frequent dosage changes, this would result in additional fills resulting in another dispensing fee being paid to the retail pharmacy at the maximum thirty day level. The bill needs to be amended, at a minimum, to align the reimbursement for the dispensing fee for a partial fee to a prorated level, so as to match the proration of the cost sharing for consumers.

For these reasons, HPA opposes S.5196-B/A.4306-B without amendments to address HPA's concerns.

The New York Health Plan Association represents 29 managed care health plans that provide comprehensive health care services to nearly 8 million New Yorkers.