



June 5, 2025

The Honorable Andrea Stewart-Cousins  
Senate Majority Leader  
Room 907, LOB  
Albany, NY 12247

The Honorable Carl Heastie  
Assembly Speaker  
Room 932, LOB  
Albany, NY 12248

Dear Leader Stewart-Cousins and Speaker Heastie:

On behalf of a broad group of organizations representing employers and health plans that are committed to ensuring access to quality and affordable health care for all New Yorkers, we are writing to express our opposition to several bills under consideration that will translate into higher health care costs for employers, particularly small businesses, and we urge you to reject these bills.

**New Mandated Benefits:** With more than 70 mandated benefits in statute that require coverage of more than three dozen types of treatments or services, New York has one of the most extensive lists of health insurance mandates of any state in the nation. In the current session over 90 mandated benefit bills have been introduced that would require coverage for nearly 30 new services or provider types. In some instances, these services, screenings or treatments may already be covered, but the proposed mandate goes beyond evidence-based guidelines recommended by major national health organizations. To date, more than two dozen bills have been reported out of committee with some having been passed by at least one house. This includes the following bills:

A.2384/S.965	S.1763-A/A.3148-A	A.7321-A/S.3654-A	S.5565/A.6586
A.6561-A/S.6551	S.4072/A.7572	S.4850/A.1158-A	S.520/A.686
S.6749/A.1458	S.634-B/A.1206-B	S.5545/A.885	S.3100/A.5255
A128-A/S.1804-A	S.868/A.2449	S.7915-A/A.771-A	A.3280-A/S.3323-A
S.6494/A.5140	S.4917-A/A.8144-A	S.2334/A.7953	A.3319/S.1001
S.2648/A.6919	S.5114/A.5389	S.2398/A.5123	S.2000-A/A.1195-A
A.622-B/A.5955-A	A.4677-A	S.4961	

While the cost of any single mandate may be relatively small, the collective impact of mandated benefits contributes to the growth in health insurance premiums, adds to the cost of coverage for everyone – consumers, employers, union benefit funds and the state – and runs counter to efforts to make New York more affordable.

Mandating new benefits disproportionately affects small and medium-sized employers. The scope of these bills only applies to fully insured policies that are either purchased by individuals on the marketplace or received through a small or medium-sized business; they do not mandate coverage under self-insured health plans. In New York, more than 55% of the commercial market is covered under a self-insured plan. Large companies generally self-insure, which allows them to customize a plan to meet the specific needs of their employees, contract with providers or provider networks, and directly pay claims to providers. These policies are governed by the Federal Employee Retirement Income Security Act (ERISA) and are not subject to state mandated benefits. As more employers self-insure, state laws mandating specific types of benefits and services affect an increasingly smaller portion of the privately insured marketplace.

Adopting new mandated benefits will also increase costs for the state. Originally, the Affordable Care Act required that states absorb the costs of any mandated benefits passed after December 31, 2011, that fell outside the essential health benefit package established as part of a state's benchmark plan for all Qualified Health Plan enrollees. In 2024, the Centers for Medicare and Medicaid Services updated its rule to clarify that states would not be required to absorb the cost of a new mandate if the benefit is already included in the state's benchmark plan but would require defrayal for new benefit mandates that go beyond the benefits in the benchmark plan. As a result, if the state passes a law mandating coverage for a benefit that is not included within the state's benchmark plan, federal rules mandates New York to defray those costs, which have not been accounted for in the current fiscal plan.

**Restrictions on Cost-Sharing & Other Efforts to Managed Medical Costs:** Various types of cost containment and cost-sharing mechanisms are intended to encourage individuals to use services efficiently and to shop for lower cost options when they need care, helping to control health care costs and restrain the growth in premiums. Utilization review (UR), prior authorization and other medical management protocols are designed to ensure that the care patients receive is safe, effective, consistent with medical evidence and delivered in the most appropriate setting. Limiting cost-sharing levels does nothing to lower the underlying price of medical care, leading to higher premiums for employers and consumers. Restrictions on UR and other care management tools makes it more difficult to ensure that they are not paying for unnecessary – and potentially unsafe – services.

We are opposed to several bills that will make it more difficult to contain the prices charged for medical care and ensure that care is clinically appropriate and increase the cost of care. Among them:

- S.7297/A.3789: Restrictions on utilization review determinations
- S.1911-A/A.8052: Restrictions on provider contract terminations
- A.3365-A/S.5209-A: Limits the lookback period for insurance overpayment recoveries
- A.6484-A/S.5045: Limiting cost-sharing levels for physical therapy services

With employers, especially small and mid-sized businesses, struggling with the high cost of health care, now is not the time to be adopting policies that will exacerbate the challenges they face in continuing to provide coverage for their employees. For all these reasons, we urge you to reject these bills.

Sincerely,

The Business Council of NYS  
Capitol Region Chamber  
Food Industry Alliance of NY  
Upstate United  
Big I New York  
New York Health Plan Association

National Federation of Independent Businesses-NY  
Northeast Dairy Foods & Suppliers Associations  
Associated Builders and Contractors of Empire State  
Greater Binghamton Chamber  
National Association of Benefits & Insurance Professionals – NY State Chapter  
NYS Conference of Blue Cross and Blue Shield Plans