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March 4, 2026

RE: AN ACT to amend the insurance law, in relation to requiring certain health insurance policies include coverage services provided by pharmacists related to contraceptives

A.9519 (McDonald)
S.8869 (Skoufis)

MEMORANDUM IN OPPOSITION

Submitted on behalf of the Blue Cross and Blue Shield Plans

The New York State Conference of Blue Cross and Blue Shield Plans opposes enactment of this bill, that would, among other provisions, unnecessarily increase health care costs by requiring Plans to provide an administrative fee to a pharmacist who dispenses self-administered hormonal contraceptives and provides related services at a rate no less than the current Medicaid rate for the same services. Although this bill aims to increase the number of pharmacists available to dispense contraceptives pursuant to the New York State Department of Health's ("DOH") 2024 non-patient specific standing order on self-administered hormonal contraceptives,[1] this legislation would result in substantial administrative burden on the part of Plans in addition to increased costs for contraceptives, ultimately making healthcare more unaffordable in New York State.

This bill would require Plans to, in addition to providing coverage of the contraceptive in full itself, tack on an additional administrative fee to the pharmacist dispensing the contraceptive and "related services" at no less than the current Medicaid rate for such services. Despite inflated healthcare costs across the United States, New York continues to enact legislation that places additional costs on Plans, which are then necessarily felt by consumers in the form of increased premiums. In fact, this bill was vetoed by the Governor in 2025 due to the issue that it adds costs that will then be paid by consumers and employers through increased premiums.

In addition to the reimbursement to the pharmacist, this bill would also increase costs related to administration of the prescription drug benefit for Plans. Prescription drug costs are among the most significant components driving up the cost of coverage. In 2024, the Institute for Clinical and

[1] https://health.ny.gov/community/reproductive_health/docs/hormonal_contraceptives_so.pdf

Economic Review's ("ICER") Report found that price increases for just five different prescription drugs added $815 million in costs to the U.S. health system.[2] Additionally, since 2019, the ICER has estimated that prescription drug price increases added more than $10.5 billion on 29 commonly used prescriptions. If Plans are required to reimburse pharmacists for this additional fee related to the dispensing of contraceptives, it will continue to exacerbate this affordability issue and unnecessarily increase the cost of coverage.

In addition to the above, this bill is vague in the fees actually required to be paid to a pharmacist for their services related to self-administered hormonal contraceptives. Although limited to a rate not less than the current Medicaid rate for the same services, this bill would require a fee paid to the pharmacist for both their dispensing of the contraceptives as well as "related services." Such broad language may lead to inflated fees and unclear expectations for Plan reimbursement.

For the foregoing reasons, the New York State Conference of Blue Cross and Blue Shield Plans opposes this bill and urges that it not be enacted.

Respectfully submitted,

HINMAN STRAUB ADVISORS, LLC
Legislative Counsel for the Blue Cross and Blue Shield Plans

[2] "Time for Affordability: Focus on Pharmacy Costs," New York Health Plan Association, *available at*: https://nyhpa.org/wp-content/uploads/2025/02/Rx-Pricing-Issue-Brief.pdf