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**PSSNY APPLAUDS NEW YORK STATE LEGISLATURE FOR PASSING THE NATION'S
TOUGHEST BILL AIMED AT REGULATING PBM MIDDLEMEN**

**S6531 and A2836-A Sets New Standards for PBM Transparency, Requires Pharmacy Benefit
Managers to be Fair in Their Dealings with Patients, Health Plans, and Pharmacies**

ALBANY, NY (June 21, 2019) – The Pharmacists Society of the State of New York (PSSNY) applauds the New York State Legislature for passage of legislation aimed at reining in pharmacy benefit manager (PBM) “middlemen”, widely seen to be the toughest bill passed to date in the U.S. regulating PBMs.

“We thank the members of the New York State Legislature for passing these bills, the leadership of Speaker Heastie and Senate Leader Stewart-Cousins, as well as Health and Insurance Committee Chairs Senators Breslin and Rivera and Assembly Members Gottfried and Cahill, who took the time to understand the issues and act in the best interest of New York’s patients, consumers, tax payers and healthcare providers,” said Debbi Barber, PSSNY President. “Today’s victory is a testament to the power of communities coming together to work for the greater good, and an acknowledgement of years of effort that will ultimately result in a better, healthier New York. We look forward to working with Governor Cuomo so New York can lead the way in regulating PBMs and protecting patients.”

The new legislation would require PBMs to act in the best interests of covered individuals and health plans and to be more transparent in dealings with payers by disclosing more information to them, including:

- Discounts, rebates, clawbacks, chargebacks or fees PBMs receive on behalf of or in service to the health plan. Under the new law, PBMs would be required to pass rebates, discounts and other savings on to the health plan.
- Details of “spread pricing” - the difference between the amount PBMs reimburse pharmacies and the amount billed the health plan - contained within the health plan.

- Conflicts of interest that may affect the health plan. In the past, PBMs have included “gag clauses” contractually mandating pharmacists to remain silent when less expensive medications are available, and engaged in patient-steering and self-dealing to PBM-owned pharmacies -- activities which directly influence PBM profitability but are in conflict with the best interest of health plans and their enrollees. The new law would prohibit any such conflicting or anticompetitive practices, ensuring patients and their pharmacy providers are afforded a fair and equitable environment in which to receive or deliver care.

Other provisions under the new law would include authorization of the Department of Financial Services to license and regulate pharmacy benefit managers, and provision of rights for individuals and pharmacies to sue a PBM for harm resulting from a PBM policy or decision.

The bills were introduced within two weeks of the [Senate Investigations and Government Operations Committee Releases Full Report on Pharmacy Benefit Managers](#) by the Senate Investigations and Government Operations Committee, chaired by Senator James Skoufis. The Committee’s 69-page report listed several findings underscoring the need for immediate PBM reform in the State of New York.

The Pharmacists Society of the State of New York (PSSNY) has served as the society for the state’s pharmacists for more than 138 years providing advocacy and resources to pharmacists to improve patient care. To learn more about PSSNY, visit www.PSSNY.org.

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